

General Purchasing Terms and Conditions of RUTEX CZ, s.r.o.
version 1.0 valid from 1 July 2024 (hereinafter referred to as “**T&C**”)

1. Terms and Definitions

Unless otherwise defined below, the terms with an initial capital letter used in these T&C shall have the following meaning:

“**Price**” means the agreed price which the Customer agrees to pay in accordance with Article 4 of these T&C to pay to the Supplier for the proper performance of the Subject of Performance.

“**Supplier**” means a natural person or legal entity that, under the Contract, performs the Subject of Performance for the Customer.

“**Delivery**” means delivery of the Goods or performance of the Subject of Performance in accordance with Section 6.11 of the T&C confirmed by the Customer’s signature in the delivery note or other relevant document.

“**Invoice**” means a tax document issued to the Customer by the Supplier in accordance with the Contract and these T&C.

“**Final Product**” means, on a case-by-case basis:

- (i) either the Customer’s Product;
- (ii) or the goods, product or equipment of a third party which Customer’s Product is or is intended to be a part of in accordance with the Principal Relationship;

“**Principal relationship**” means the contractual relationship established between the Customer and its contractual customers in which the Customer, in its capacity of supplier, will provide its customer with performance involving the Goods under the Contract;

“**INCOTERMS**” means the set of international rules for the interpretation of delivery clauses in foreign trade issued by the International Chamber of Commerce in Paris;

“**Proposal**” shall have the meaning defined in Section 3.3 of these T&C.

“**Civil Code**” means the Act No. 89/2012 Coll., the Civil Code, as amended.

“**Business day**” means any day of the week from Monday to Friday, excluding days of rest pursuant to the Act No. 245/2000 Coll., on public holidays, other holidays, significant days and days of rest, as amended.

“**Counter-proposal**” has the meaning given in Section 3.5 of these T&C.

“**Subject of Performance**” means the subject of performance of a particular Contract (i.e. the supply of Goods by the Supplier to the Customer and/or the provision of Services by the Supplier to the Customer and/or the performance of work with an intangible result).

“**Services**” means the Supplier’s services provided to the Customer pursuant to the Contract, including but not limited to, treatment of materials, modification of work-in-progress Goods, manufacture of Goods, cleaning, maintenance or repair of Goods, etc. The Services may be referred to in the Contract as services, subject of the services, subject of the work, work, tolling, processing, consulting, supervision or in any other similar manner.

“**Contract**” means the contract entered into by and between the Customer and the Supplier in accordance with Article 3 of these T&C for the performance of the Subject of Performance (in particular for the supply of Goods and/or the provision of Services) by the Supplier to the Customer. The Contract may be, in particular, a purchase contract, a framework purchase contract, a work contract, a service contract, or an innominate contract under the Civil Code.

“**Party**” or “**Parties**” means the Customer or the Supplier individually or the Customer and the Supplier jointly.

“**Subcontractor**” means a third party that supplies the Goods or any part thereof to the Supplier or that provides the Supplier with any items, services or rights forming a part of the Goods under the Contract;

“**Technical Sheet**” means a document provided by the Customer to the Supplier specifying the quality requirements and conditions of performance of the Subject of Performance.

“**T&C**” means these General Purchasing Terms and Conditions. The current version of the T&C is available on the Customer’s Website.

“**Customer’s Product**” means (i) any product, intermediate product, good, article or device manufactured by the Customer from or using the Goods and/or (ii) any product, intermediate product, good, article or device manufactured by the Customer on or in connection with which Services are provided by the Supplier to the Customer.

“**Customer’s Website**” means the Customer’s website available at <https://www.rutexcz.cz/>.

“**Customer**” means RUTEX CZ, s.r.o., with registered seat at Pořadí 2283, 688 01 Uherský Brod, Czech Republic, Company registration No: 276 83 168, Tax registration No.: CZ27683168, the company is registered in the Commercial Register maintained by the Regional Court in Brno, Section C, File 51811.

“**VAT Act**” means the Act No. 235/2004 Coll. on Value Added Tax, as amended.

“**Goods**” means individually or by type (according to quantity) specified movable things and their components which the Supplier agrees to deliver to the Customer under the Purchase Contract. The Goods include any and all items, services and rights related to the supply of the Goods specified in the Contract, Purchase Contract, these T&C or arising from the nature of the Goods. The Goods may be referred to in the Contract as Goods, an item of purchase, an item of supply, a work, a spare part or in any other similar manner.

2. Introductory Provisions

- 2.1 *Subject of the T&C.* These T&C have been compiled in accordance with Section 1751 *et seq.* of the Civil Code and sets out the basic rules and conditions that will govern any and all contractual relations related to the purchase and supply of Goods and/or provision of

Services to the Customer, unless other terms are expressly agreed in the Contract.

- 2.2 *Integral Part of the Contract.* These T&C form an integral part of any Contract for the supply of Goods and/or provision of Services to the Customer which the Customer is a party to. The current version of the T&C is available on the Customer's Website. Along with the Contract, these T&C constitute the entire agreement of the Parties in relation to the Subject of Performance. The Supplier shall become properly acquainted with any and all provisions of these T&C.
- 2.3 *Prior Arrangements.* Any oral or written representations, warranties, negotiations, sales contests, notices of intent and business practices not expressly stated or incorporated by express reference in the Contract or these T&C shall not be binding on either Party. Neither Party may rely on or be influenced by any representations made by the other Party that are not contained in the Contract or these T&C. The Contract, along with the T&C, supersedes any and all prior written or oral agreements of any nature, commitments, plans, programs, business competitions, notices of intent and any other documents relating to the Subject of Performance between the Supplier and the Customer that were the subject of the Parties' deliberations or negotiations prior to the execution of the relevant Contract.
- 2.4 *Binding Power.* By entering into the Contract, the Supplier agrees to any and all rights and obligations contained in these T&C. The Supplier shall comply with these T&C, including any changes and amendments thereto.
- 2.5 *Precedence of the Contract.* In the event of (i) any inconsistency or conflict between the T&C and the Contract, (ii) any ambiguity as to the content of the Contract and the T&C and/or (iii) any divergent provisions of the Contract and the T&C, the provisions of the Contract shall prevail over the provisions of the T&C.
- 2.6 *Supplier's Sales Terms and Conditions.* The Supplier's sales terms and conditions are ineffective and inapplicable to the contractual relations established by the Contract, except in cases where the Customer expresses its prior express written consent to the application of selected specific provisions of the Supplier's sales terms and conditions.
- 2.7 *Interpretation of the T&C and the Contract.* Terms in the singular include the plural and vice versa, depending on the context. The headings and captions in the T&C and the Contract are for ease of reference only and shall not be used for the purpose of interpreting the T&C and the Contract. In the event that any communication, consent, approval, confirmation or appointment of any person is provided for in the T&C and/or the Contract to be given or made, such communication, consent, approval, confirmation or appointment (unless otherwise expressly provided) shall be in writing and the words "communicate, approve, confirm, appoint" shall be construed in the same manner. Any failure by the

Customer to exercise any right under the T&C or the Contract is not and shall not be construed as a waiver of such right by the Customer or as an expression of the Customer's consent.

- 2.8 *Relationship to Business Practices.* By derogation from Section 558(2) of the Civil Code, the Parties agree that no account is taken under their legal relationship of the business practices honoured generally or within the sector concerned and that business practices do not take precedence, under their mutual relationship, over the relevant provisions of the Civil Code, which do not have peremptory effects.

3. Entering into Contracts

- 3.1 *Subject of the Contract.* By the Contract, the Supplier agrees to deliver the Subject of Performance to the Customer and to transfer the ownership right to the Subject of Performance to the Customer (unless the Customer was already the owner of the Subject of Performance), while the Customer agrees to take over the duly and completely performed Subject of Performance, to accept it into his ownership (unless the Customer was already the owner of the Subject of Performance) and to pay the agreed Price for the Subject of Performance to the Supplier.
- 3.2 *Written Form of the Contract.* The Contract may be concluded and amended only in writing by an amendment executed by persons duly authorised to act for the Parties.
- 3.3 *Contract Proposal.* A proposal for the conclusion of the Contract shall be deemed to be the first of the following documents executed by one Party and delivered to the other Party:
- (i) a written offer for the Subject of Performance made by the Supplier (based on the Customer's prior non-binding enquiry) which is binding for at least ninety (90) Business Days as of the date of delivery to the Customer; or
 - (ii) a binding written order for the Subject of Performance executed by the Customer and delivered to the Supplier; or
 - (iii) written proposal of the Contract for the supply of Goods made by the Customer and delivered to the Supplier;
- (hereinafter referred to as the "**Proposal**").
- The Proposal shall not include (i) a non-binding enquiry by the Customer on the basis of which the Supplier makes a binding offer, nor (ii) an offer by the Supplier for the Subject of Performance made by way of advertisement, catalogue or display of the Goods.
- 3.4 *Content of the Proposal.* The Proposal (or counter-proposal according to Section 3.5 of the T&C) shall always be submitted by the submitting Party (in this Article 3 of the T&C hereinafter referred to as the "**Proposer**") and delivered to the other Party (in this Article 3 of the T&C hereinafter referred to as the "**Recipient**"). The Proposal (or Counter-Proposal) shall always include at least (i) the specification of the Subject

of Performance, (ii) the Price including the currency in which the Price is to be paid and (iii) the date of Delivery of the Goods and/or provision of the Services.

3.5 *Recipient's Objections to the Proposal or Counter-Proposal.* If the Recipient's acknowledgement of acceptance of the Proposal contains any reservations to the Subject of Performance or terms of the Proposal or any other changes (including such reservations, additions and deviations that do not materially change the terms of the Proposal as defined in Section 1740(3) of the Civil Code), such acknowledgement shall be deemed to be a rejection of the Proposal and, at the same time, a counter-proposal (hereinafter referred to as the "**Counter-Proposal**"). In the event of further reservations or differences contained in the acceptance of the Counter-proposal, the procedure under the first sentence of this Section shall be followed. 3.5 shall be repeated by analogy.

3.6 *Entering into the Contract.* The Contract is concluded at the moment when the Proposer receives a written confirmation from the Recipient of his unconditional acceptance of the Proposal. In the case where a Counter-Proposal has been submitted, the Contract is concluded at the moment when the Proposer receives a written confirmation from the recipient of the unconditional acceptance of the Counter-Proposal. In the case of a Proposal or Counter-Proposal submitted by the Customer, the Supplier's acceptance may also be deemed to be the Supplier's compliance with the Proposal or Counter-Proposal (in particular, by providing any performance in accordance with such Proposal or Counter-Proposal). If the Proposal or Counter-Proposal does not contain a Technical Sheet, the Contract is concluded and the Customer is entitled to specify the Subject of Performance by sending the Technical Sheet to the Supplier within a reasonable period after the conclusion of the Contract; the Technical Sheet becomes an integral part of the Contract and is binding for the Supplier. In the event that the Technical Sheet is sent to the Supplier after the conclusion of the Contract, the Supplier is not entitled to any increase in the Price or payment of any additional costs.

3.7 *Deadline for Accepting the Proposal or Counter-Proposal.* The Supplier shall confirm the duly delivered Proposal (or Counter-Proposal) in writing or to express its justified objections to it within the time limit specified in the Proposal (or Counter-Proposal), and if no time limit is specified, within a time limit appropriate to the type of the Subject of Performance and the date of delivery of the Goods and/or provision of the Services specified in the Proposal (or Counter-Proposal). If the Supplier does not accept the Proposal (or Counter-Proposal) in writing within the time limit according to the previous sentence, the Proposal (or Counter-Proposal) shall be deemed rejected. The Customer shall not have the obligation respond to the Supplier's Proposal (or Counter-Proposal) in any way.

3.8 *Cancellation of the Proposal or Counter-Proposal.* The Supplier is not entitled to cancel its Proposal (or Counter-Proposal), even before the Customer's acceptance of the Proposal is delivered to the Supplier. The Customer shall be entitled to cancel its Proposal (or Counter-Proposal) at any time before the Supplier's acceptance of the Proposal is delivered to the Customer.

4. Price

4.1 *Price Amount.* The Customer shall pay the Price specified in the Contract for proper and complete performance of the Subject of Performance to the Supplier. The Price is agreed as a fixed price. The Supplier assumes the risk of a change in circumstances in accordance with the provisions of Sections 1765(2) and 2620(2) of the Civil Code.

4.2 *Price Components.* Unless otherwise stated in the Contract, the Price includes, in addition to the intrinsic value of the Subject of Performance, all costs associated with the delivery of the Goods and/or the provision of the Services, including the costs of transport and packaging pursuant to Article 6 of the T&C. In the event that the Supplier provides transportation of the Goods to the Customer, the Price includes, in particular, transport insurance, payment of all taxes, import licenses or other fees required or related to the import of the Goods into the country where the Goods are to be delivered to by the Supplier, excluding payment of customs duties. No additional fees, costs or expenses of any kind, unless expressly stated in the Purchase Contract, in addition to the Price, shall be accepted and paid by the Customer.

4.3 *Other Pricing Arrangements.* The Price may only be changed in the manner specified in Section 3.2 of the T&C. As of the Contract date, the Supplier shall ensure that the Price for the Subject of Performance are not less favourable than the prices customary at the place and time in question, nor are they less favourable than the prices at which the Supplier offers the same or similar Goods to its other customers under customary conditions.

4.4 *Price Currency.* The Price may be specified in the Proposal in one of the following currencies: the Czech koruna (CZK), the euro (EUR), the US dollar (USD), or the Polish zloty (PLN).

5. Payment Terms

5.1 *Supplier's Authority to Invoice the Price.* Unless otherwise stated in the Contract, the Supplier shall be entitled to issue the Invoice for the full Price not earlier than upon the Delivery of the Subject of Performance confirmed by the Customer (e.g. by a confirmed delivery note). The Parties may agree in the Contract that the Price will be paid by the Customer to the Supplier by means of several payments according to the payment milestones specified in the Contract. The Seller shall send the relevant Invoice electronically by e-mail to the Customer's e-mail address: obchod@rutexcz.cz.

5.2 *Details in the Invoice.* Payment of the Price shall be made by the Customer by a wire transfer to the Supplier's bank account specified in the relevant Invoice which shall contain any and all details as for a tax and accounting document according to the relevant legislation (in particular, pursuant to Section 435 of the Civil Code and Section 29 of the VAT Act). In particular, the invoice shall contain:

- (i) the Invoice No., date of its issue, date of taxable performance and the due date of the Invoice, which shall not be less than thirty (30) days from the date of delivery of the Invoice to the Customer;
- (ii) identification data of the Parties, including their banking details and IBAN/SWIFT;
- (iii) Contract No.;
- (iv) place of delivery of the Goods and/or provision of Services;
- (v) identification and specification of the Subject of Performance, including the serial No. of the Goods, if any;
- (vi) quantity or scope of the Subject of Performance;
- (vii) the unit price of the Goods excluding VAT, the amount of VAT and the price including VAT;
- (viii) the total price of the Goods excluding VAT, the amount of VAT and the price including VAT;
- (ix) in the case of deliveries of Goods from EU Member States, all the necessary data for Intrastat;
- (x) Delivery note No., if issued in connection with the Subject of Performance.

Further, the Invoice shall contain the details listed in Annex 1 to these T&C.

5.3 *Advance payment.* The Parties may agree in the Contract that a part of the Price will be paid by the Customer by means of an advance payment. The Customer shall pay the advance payment or part thereof by wire transfer to the Supplier's account specified in the relevant advance invoice, the contents of which will reasonably correspond to the details of the Invoice as set out in section 5.2 of these T&C. Upon delivery of the Subject of Performance to the Customer, the Supplier shall be obliged to offset the relevant Advance Payment against the Price for the Subject of Performance and to reflect in the Invoice that a part of the Price has been paid in advance. In the event of an early termination of the Contract, the Supplier shall be obliged to refund the full amount of the advance payment to the Customer within three (3) Business Days from the date of termination of the Contract, unless the Customer decides to retain all or part of the Subject of Performance that has been delivered or manufactured by the Supplier in accordance with section 11.4 of these T&Cs (in such a case, the advance payment will be set off against the Price for the retained Subject of Performance and if the advance payment exceeds the Price of the retained part of the Subject of Performance, then the Supplier will return the relevant part of the advance payment to the Customer).

5.4 *Rejecting the Invoice.* Should the Invoice issued by the Supplier not contain the required details or data according

to the Contract and these T&C, this Invoice shall not be paid to the Supplier and the Customer is entitled to return it to the Supplier for completion, correction or new execution at any time before its due date, without the Customer being in default with the payment of the Price. In the case of a correction, completion or a new version, the maturity of the corrected, corrected or newly issued Invoice shall commence upon its delivery to the Customer. The invoiced amount shall be deemed to be paid when the relevant amount has been debited from the Customer's bank account.

5.5 *Maturity Interruption.* In the event that the Customer identifies any defect in any part of the Subject of Performance performed under the Contract before the due date of the relevant Invoice, the Customer shall be entitled to withhold, in accordance with Section 2108 of the Civil Code, a portion of the Price estimated to be reasonably equivalent to its right to a discount on the Price; in relation to the portion of the Price so withheld, the due date of the Invoice shall be interrupted. The term for payment of the portion of the Price so interrupted shall commence again on the date when, at the Customer's discretion in line with these T&C:

- (i) The Supplier shall remedy the subject defects in the Subject of Performance and allow the Customer to use it properly; or
- (ii) The Customer shall deliver to the Supplier a notice that it claims a reasonable discount from the Price for the defective Subject of Performance.

5.6 *Payment of Foreign Supplier's Income Tax.* Should the Supplier be a foreign entity, the Supplier shall provide the Customer with confirmation of its tax domicile. If the regulations in force in the Czech Republic in connection with the execution of the Purchase Contract require the Customer to pay taxes on the Supplier's income to the local authorities, the Customer shall perform these obligations arising from the above-mentioned regulations and the Supplier shall provide all assistance to this end.

5.7 *Unreliable payer.* The Supplier shall:

- (i) make any effort that can be reasonably required of him to avoid becoming an unreliable taxpayer as defined in Section 106a of the VAT Act (and if he does become such, to inform the Customer immediately in writing);
- (ii) ensure that the bank account of the Supplier, which will be indicated in the Invoice, is and will be an account that is duly published in a manner allowing remote access in accordance with the VAT Act;
- (iii) no circumstances exist that either have caused or could cause the Customer to become a guarantor for the Supplier's tax obligations stemming from VAT billed to the Customer in connection with payment of the Contractual Price pursuant hereto.

5.8 *Customer's Retention Right.* The Customer is expressly entitled to withhold the VAT amount from the Invoice issued by the Supplier under the Purchase Contract and to pay the relevant payment to the Supplier without the VAT amount so withheld in the following cases:

(i) At any time during the performance of the Purchase Contract, the Supplier becomes an unreliable payer as defined in the VAT Act;

(ii) The Supplier shall require the Customer to pay any payment under the Contract to a bank account other than that published in accordance with the VAT Act.

5.9 *Refund of withheld VAT.* The amount of VAT withheld pursuant to Section 5.8 of the T&C shall be at the Customer's discretion:

(i) paid by the tax administrator in the Supplier's behalf directly to the respective bank account in accordance with Section 109a of the VAT Act; or

(ii) paid directly to the Supplier, provided the Supplier clearly proves to the Customer that the obligation to pay the respective VAT amount has been fulfilled in a proper and timely manner by the Supplier.

5.10 *Exclusion of Negative Consequences for the Customer.* For the avoidance of doubt, if the Customer proceeds in accordance with Sections 5.6 to 5.10 of the T&C, the Customer shall not be in default in the payment of the relevant portion of the Price to the Supplier by withholding the amount corresponding to VAT or by paying it to the tax authorities.

6. Delivery Conditions

6.1 *Quality, Workmanship and Quantity of the Subject of Performance.* The Supplier shall perform the Subject of Performance (deliver the Goods and/or perform the Services to the Customer) in a proper and timely manner in accordance with the Contract and these T&C, while being obliged to meet the quality requirements for the Subject of Performance arising from the Technical Sheet. The Subject of Performance shall be performed in the quality, workmanship and with all the characteristics specified in the Contract and the Technical Sheet. Should the Contract (in whole or in part) not specify the quality, performance or other specific characteristics of the Subject of Performance, the Supplier shall, in relation to such unspecified data, be obliged to perform the Subject of Performance in such quality and performance that fully satisfies the purpose evident from the Contract for which the Subject of Performance is delivered/performed; if such purpose has not been agreed on, the Subject of Performance shall fully satisfy the purpose for which the Subject of Performance is usually used or for which it serves. If the Supplier knows for which Customer's Product and/or Final Product the Subject of Performance will be realized, it is always obliged to realize the Subject of Performance in such quality and with such properties that it can be used for such Customer's Product and Final Product. Further, the Subject of Performance shall comply with any and all relevant technical requirements and technical and safety standards (including the technical requirements and standards of the Customer's target country of the Product delivery) applicable to the type of Goods and/or Services; for the purposes of the Purchase Contract performance, the directory provisions of the

technical and safety standards shall apply. Unless otherwise stated in the Contract, the Goods shall be new, unused, undamaged and made of high-quality material (or the Goods as such shall be high-quality material). The Goods shall not be encumbered by any legal defects (in particular, they shall not be subject to any pledge or retention of title by any third party). The Supplier shall perform the Subject of Performance in the scope and quantity specified in the Contract.

6.2 *Customer's Orders and Documents.* In the event that the Subject of Performance is manufactured, modified and/or delivered, even if only in part, on the basis of documents, documents (including technical documentation as defined in Section 10.1 of the T&C), information or instructions from the Customer, the Supplier shall use due professional care to investigate the accuracy and suitability of such documents or instructions and shall notify the Customer in writing of the unsuitability or incorrectness of such documents or instructions. Should the Supplier fail to notify the Customer of the unsuitability of its orders or documents in writing without undue delay, and no later than in three (3) Business Days as of the time it became aware or could have become aware of the unsuitability, the Supplier shall be liable for any defects and damages caused by the execution of such orders or use of such documents. The provisions of Section 2595 of the Civil Code shall not apply to the legal relations established by the Contract and/or the T&C.

6.3 *Compliance.* The Supplier shall act in such a way that no legal regulations (including regulations on the handling of hazardous and toxic substances, environmental protection, safety and hygiene standards, etc.) are violated in the delivery or provision of the Subject of Performance and that the Subject of Performance meets all the requirements set out in the relevant legislation. In the event of a breach of the above obligation of the Supplier, the Supplier shall be liable to the Customer for damage caused by the breach of this obligation and/or legal regulations.

6.4 *Change of the Subject of Performance upon the Customer's request.* At any time prior to the performance of the Subject Matter by the Supplier, the Customer may request a change in the quantity, scope or specification of the Subject Matter. The Supplier shall accord such change request and shall inform the Customer within three (3) days as of receipt of the change request about the impact of the change on the Delivery date of the Subject of Performance and/or the Price. Should the Supplier fail to inform the Customer of the impacts of this change within such five-day period, the change shall be deemed not having any impact on the terms or the Price and the Supplier shall deliver the Goods so changed within the terms agreed in the Contract.

6.5 *Subcontractors.* The Supplier shall be entitled to use a Subcontractors for the performance of the Subject of Performance. In such a case, the Supplier shall be obliged to ensure that the Subcontractors undertake to comply

with the terms and conditions set out in the Contract and these SGA. The Supplier shall provide the Customer with a list of its Subcontractors upon request. The Supplier shall be liable to the Customer for the performance provided by the Subcontractor and any damage caused by the Subcontractor as if the Supplier had provided the performance or caused the damage. If the Supplier uses an agent, employee or other assistant in his performance, he shall compensate for the damage caused by them as if he had caused it himself. The Customer may stipulate in the Purchase Contract that the use of Subcontractors for certain types of Goods shall be subject to the Customer's approval.

6.6 *Packing and Securing the Goods.* Unless otherwise stated in the Contract, the Supplier shall pack the Goods for transport at its own expenses and to ensure that they are suitably secured so that they cannot be damaged, degraded or stolen during transport, including loading and unloading, and that the packaging allows for safe and long-term storage of the Goods without loss of quality. The packaging of the Goods and the delivery note shall bear, in a visible place, the legible identification of the Supplier, the Customer, the Purchase Contract No., the actual quantity, scope or volume of the Goods and other particulars in accordance with the Contract and the requirements for the labelling of the Goods and the documentation forming Annex 1 to these T&C. In the event that the packaging is marked by the Supplier as returnable, the Supplier shall collect the packaging at its own expenses from the Customer within the period specified in the Customer's invitation to collect the packaging, otherwise within ten (10) Business Days as of the date of receipt of the Customer's invitation to collect the packaging.

6.7 *Documents to Accompany the Subject of Performance.* The Supplier shall deliver any and all documents necessary for the acceptance, handling, clearance and use of the Subject of Performance to the Customer along with the Subject of Performance, as well as documents required by binding legislation or relevant technical standards. These include, but are not limited to, documents regulating the maintenance of the Goods, declarations of conformity, safety data sheets, certificates or instructions for use containing, inter alia, warnings if the Subject of Performance requires special handling, maintenance, etc. If the Subject of the performance of the Supplier is rendering of Services, then the Supplier shall deliver to the Customer the documents for the Subject of the performance to the extent that corresponds to the Services performed by the Supplier. All documents shall be supplied by the Supplier in original, written, legible and, at the Customer's request, in electronic form. Should the documents not be in Czech language, the Supplier shall arrange for translation thereof and hand over of at least one (1) copy of the documents in Czech language or in English to the Customer. The Supplier shall further provide the Customer at its request, with any and all

assistance and cooperation necessary in procuring documents or corresponding electronic reports issued in the Czech Republic and/or in the country of origin, which the Customer may require for the export and/or import of the Subject of Performance and, if necessary, for the transit of the Subject of Performance through the territory of a third country. In the event that any additional costs (such as customs, storage or other fees) are incurred by the Customer as a result of the Supplier's delay in delivering proper and complete documents, the Supplier shall reimburse such costs. If the technical documentation implies a requirement to revise the Subject of Performance, the Supplier shall arrange the revision and provide the relevant confirmation of the revision.

6.8 *Place of Delivery of the Subject of Performance.* Unless the Parties expressly agree otherwise, then (i) the transport of the Goods only within the territory of the Czech Republic shall be provided by the Supplier and (ii) transport of the Goods from abroad to the Czech Republic shall be provided by the Customer. In cases where the transport of the Goods is provided by the Supplier, the Goods will be delivered by the Supplier in accordance with DAP, to the Customer's headquarters, according to INCOTERMS 2020. In cases where transportation of the Goods is provided by the Customer, the Goods will be delivered by the Supplier in accordance with FCA's delivery terms under INCOTERMS 2020. Unless otherwise provided in the Contract, the Services shall be provided in the Customer's registered office or at the Supplier's premises, whichever is more appropriate with regard to the Customer's requirements, the nature of the Services provided and the purpose of the Services provided.

6.9 *Date of Delivery of the Subject of Performance.* The time schedule and date of Delivery of the Subject of Performance shall be determined by the Contract based on the Customer's specification. Unless otherwise specified by the Customer, in cases where the Supplier provides transport of the Goods or provides Services at the Customer's premises, the Supplier shall deliver the Goods or provide Services on Business Days during the Customer's normal business hours from 8:00 a.m. to 4:00 p.m. The Supplier shall notify the Customer in writing of the delivery of the Goods at least three (3) Business Days in advance. The Supplier shall inform the Customer immediately in writing if there should be a delay in the Delivery of the Subject of Performance.

6.10 *Partial Delivery of the Subject of Performance.* Partial deliveries of the Subject of Performance are only possible if stipulated in the Contract or agreed to in writing by the Customer. In such case, any and all provisions of the T&C and the Contract relating to the delivery of the Goods shall apply to the individual partial deliveries of the Goods accordingly.

6.11 *Proper Delivery of the Subject of Performance.* The Supplier shall deliver the Subject of Performance to the Customer in a proper and timely manner. The Subject of

Performance shall be deemed delivered in a timely manner if it is delivered within the agreed time and under the following terms and conditions:

- (i) The Subject of performance is duly delivered or performed at the agreed place (in accordance with section 6.8 of the T&C);
 - (ii) the Subject of Performance shall be delivered along complete and perfect documents (in particular, the delivery note according to Section 6.7 of the T&C) relating to them;
 - (iii) the Customer shall not refuse to accept the Subject of Performance due to obvious defects and incompleteness detected during the acceptance of the Subject of Performance (however, the refusal to accept the Subject of Performance shall in no way deprive the Customer of the right to claim the defects later in accordance with Article 8 of the T&C); and
 - (iv) the Customer or an authorized representative of the Customer has signed the delivery note or acceptance report or other similar document.
- 6.12 *Transfer of Title and Risk of Damage.* Unless the Contract provides otherwise, the Customer shall acquire the title to the Goods upon Delivery thereof as defined in Section 6.11 of the T&C. The risk of damage to the Goods shall also pass to the Customer at the moment of Delivery of the Goods. The Customer acquires ownership of the Services or the outputs from the performance of the Services at the time of performance of the Services.

7. Inspections of Delivery of the Subject of Performance

7.1 *Inspections in Course of the Contract Performance.* The Customer shall be entitled to inspect the course of performance of the Contract by the Supplier and its Subcontractors (i.e. in particular, the production of the Goods and the performance of the Services), including in the manufacturing plants or warehouses of the Supplier or Subcontractors. The Supplier shall allow the Customer to make such inspection within three (3) Business Days as of the date of receipt of the Customer's request for such inspection. Any inspections by the Customer shall not relieve the Supplier of its responsibility for the proper and timely performance of the Subject of Performance in accordance with the Contract and shall not affect any claims by the Customer in respect of any liability of the Supplier. Should the Customer discover that the Supplier's performance violates the Contract or the T&C, the Customer is entitled to demand that the Supplier eliminates all such deficiencies before completion and handover of the Subject of Performance.

7.2 *Verification points.* The Supplier agrees to carry out all relevant inspections and tests of the Subject of Performance, in particular, to determine whether the requirements of the Contract and these T&C are met. Such inspections and tests shall be performed by the Supplier in accordance with the Technical Sheet, legal regulations and relevant technical standards. If the Technical Sheet, the Contract, or the relevant technical

standards imply that a representative of the Customer is to attend a particular inspection or test, the Supplier shall inform the Customer in advance and invite the Customer to such inspection at least three (3) Business Days in advance. In the event of a failure to meet the requirements or criteria for any inspection or test, the Supplier shall bear the entire cost of repeating such inspection or test.

8. Defective Performance Rights and Quality Guarantee

8.1 *Defects.* The Subject of Performance is defective if it is not delivered in the quantity, quality and workmanship specified in the Contract and/or the Technical Sheet and/or these T&C, or it does not correspond to the result specified in the Contract. Legal defects of the Subject of Performance and defects in the documents that the Supplier shall deliver to the Customer along with the Goods shall also be considered defects.

8.2 *Defects in the Subject of Performance Identified upon Delivery.* Should any Subject of Performance be defective upon Delivery, the Customer shall be entitled to:

- (i) refuse to accept delivery of the defective Subject of Performance and return it at the Supplier's expenses, without the Customer being in default in accepting the Subject of Performance; or
- (ii) accept delivery of the defective Subject of Performance, with the Customer being entitled to a corresponding discount from the Price or to have the defects eliminated. To proceed under this point (ii), the other provisions of these T&C governing the rights from defective performance shall apply accordingly.

8.3 *Receiving Inspection.* The Customer shall not have the obligation to inspect the Subject of Performance prior to the Delivery thereof and/or immediately after the Delivery of the Subject of Performance. No later than in fifteen (15) Business Days as of the Delivery of the Subject of Performance, the Customer shall perform the receiving inspection. As a part of the receiving inspection, the Customer shall be entitled to inspect and test the Subject of Performance at its discretion to determine whether any and all requirements of the Contract and these T&C have been met. In the event that the Subject of Performance does not meet the requirements and characteristics specified in the Contract and/or these T&C, the Customer shall be entitled to return the whole Subject of Performance or any parts thereof to the Supplier and request delivery of a new Subject of Performance. The cost of clearance and transportation of the returned Subject of Performance shall be borne by the Supplier. In the event that the Supplier fails to ensure the delivery of replacement Goods without undue delay after the return of the Subject of Performance, or repair of the Goods (if the Customer requests repair), the Customer shall have the right to withdraw from the Contract as per Section 11.2 of the T&C. The Supplier shall further compensate the Customer for any and all costs and expenses incurred in connection therewith.

8.4 *Warranty*. The Supplier shall be liable for any defects that occur in the Subject of Performance during the warranty period commencing upon Delivery of the Subject of Performance and ending (i) thirty-six (36) months after Delivery of the Subject of Performance, or (ii) twenty-four (24) months after the Final Product is delivered to other customers under the Principal Relationship, whichever occurs later. The Supplier shall further ensure that the Subject of Performance delivered under the Contract is fit for use for the purpose specified in the Contract, otherwise for its usual purpose, and that it retains the characteristics specified in the Contract and is usable and suitable for the Customer's Product and the Final Product throughout the warranty period. Should the Contract not specify certain characteristics of the Subject of Performance, the Supplier shall ensure that the Subject of Performance retains at least its usual characteristics during the warranty period. The warranty period shall not run for the period of time during which the Customer or its customers cannot use the Subject of Performance or the Customer's Product or the Final Product due to defects for which the Supplier is responsible. In the event of replacement of the Goods, the warranty period for the newly delivered Goods shall run from the beginning, in full.

8.5 *Claiming Defects*. In the event of defects in the Subject of Performance, the Customer is entitled to:

- (i) require elimination of defects by supplying replacement Subject of Performance, supplying missing Subject of Performance and requiring elimination of legal defects; or
- (ii) require the Subject of Performance to be repaired if the defects are repairable; or
- (iii) require a reasonable discount from the Price; or
- (iv) demand payment of extra costs for repairs of the Subject of Performance carried out by the Customer or through third parties (under the conditions of Section 8.7 of T&C).

The customer is entitled to amend his claims under the rights from defective performance until the moment of complete elimination of the defect in question.

8.6 *Obligations of the Supplier*. The Supplier shall commence the elimination of defects in the Subject of Performance immediately upon receipt of notification of the defect. Unless the Contract or the Customer stipulate otherwise in the context of a claim for defects, the Supplier shall eliminate the defects in the manner at the Customer's discretion within three (3) calendar days of their claim.

The Supplier shall eliminate the defects at its own expenses in the manner specified by the Customer even if the Supplier disputes its responsibility for the defect in question. In the event that the Supplier later proves that it is not responsible for the defect, the Customer shall reimburse the Supplier for the reasonable and properly documented costs of eliminating the defect. If, in order to remedy a defect in the Subject of Performance, it is necessary to carry out repairs outside the Customer's

factory, the Supplier shall bear any and all transport costs and shall also bear the risk of damage to the Goods during the repair period.

8.7 *Failure to Eliminate the Defects*. If (a) the Supplier fails to eliminate defects in the Subject of Performance in the manner set out in Section 8.5 of the T&C within the time limit pursuant to Section 8.6 of the T&C, or (b) prior to the expiry of that period the Supplier notifies the Customer that it will not eliminate the defect, or (c) it becomes apparent that the Supplier will not be able to properly eliminate the defect within that period, then the Customer may:

- (i) withdraw from the Contract;
- (ii) request a reasonable discount from the Price;
- (iii) repair the Subject of Performance or arrange for a replacement performance, either by itself or through another person, at the Supplier's expense and risk. The Supplier agrees to reimburse the Customer for these costs in full. The procedure as per this point (iii) shall not affect the Supplier's warranty for the Subject of Performance or the Supplier's liability for damage caused by defective Subject of Performance or caused or incurred during the elimination of defects in the Subject of Performance.

8.8 *Warranty Extension*. Should the Customer be interested, the Supplier shall submit a binding offer to extend the warranty for the quality of the Subject of Performance according to this Article 8 of the T&C for the period requested by the Customer.

8.9 *Obligations of the Distributor*. If the Supplier is not the manufacturer or producer of the Subject of Performance, it shall secure such authorizations to the Subject of Performance in order to perform its obligations under this Article 8 of the T&C without any limitations and without any negative consequences for the Customer.

9. Contractual Penalties, Post-Maturity Interest and Liability for Damage

9.1 *Contractual Penalty for Late Delivery of the Subject of Performance*. Should the Supplier fail to perform its obligation to make the Delivery to the Subject of Performance in a proper and timely manner in accordance with the Contract, the Customer shall be entitled to demand a contractual penalty from the Supplier in the amount of:

- (i) five per cent (5%) of the total Price according to the Contract if the delay in delivery of the Subject of Performance lasts 7 calendar days or less; or
- (ii) ten percent (10%) of the total Price according to the Contract if the delay in the Delivery of the Subject of Performance lasts between 8 and 14 calendar days; or
- (iii) fifteen percent (15%) of the total Price according to the Contract if the delay in the Delivery of the Subject of Performance lasts between 15 and 21 calendar days; or

- (iv) twenty percent (20%) of the total Price according to the Contract if the delay in the Delivery of the Subject of Performance lasts 22 calendar days or more.

9.2 *Contractual Penalty for Late Elimination of Defects.* Should the Supplier fail to fulfil its obligation to eliminate the defects of the Subject of Performance in a proper and timely manner in accordance with Section 8.6 of the T&C, the Customer shall be entitled to a contractual penalty from the Supplier in the amount of zero point five percent (0.5%) of the Price for each day of default.

9.3 *General Provisions on Contractual Penalties.* Other contractual penalties may be agreed to in the Contract. The contractual penalty shall become due in fourteen (14) days as of receipt of the contractual penalty statement by the Supplier. The agreement on any contractual penalty shall be without prejudice to the Customer's right to compensation for damage in full.

9.4 *Liability for Damage.* The Supplier shall be liable for any and all damage caused to the Customer, the Customer's customers or other persons in connection with any breach of its obligations under the Contract and/or the T&C (including damage caused by any of its Subcontractors, employees or other persons involved in the performance of the Supplier's obligations under the Contract and/or the T&C). The Supplier's obligation to compensate the damage also includes the obligation to compensate the non-pecuniary damage in money. The Supplier's obligation to compensate any and all damage includes, in particular, all amounts incurred by the Customer in connection with the breach of the Supplier's obligations under the Contract and/or the T&C, the costs of proceedings brought by the Customer in connection with the breach of the obligations under the Contract, as well as all costs incurred in connection with defects in the Subject of Performance. The Supplier shall compensate the Customer for the full amount of the damage within thirty (30) days as of the date of receipt of the Customer's written demand.

9.5 *Liability for Damage Caused to the Customer's Customers.* The Subject of Performance may be an integral part of the Customer's Products supplied by the Customer to its customers within the framework of the Principal Relationship and subsequently also a part of the Final Products. Any damage related to the Supplier's delay in delivering the Subject of Performance shall therefore include any and all payments, penalties (in particular, contractual penalties) and damages that the Customer shall pay in the Principal Relationships in connection with the Supplier's delay under the Contract.

9.6 *Post-Maturity Interest.* In the event of default by the Customer in the settlement of any duly invoiced and justified payment, the Customer shall be liable to pay default interest at the rate of 0,05% per annum.

10. Miscellaneous Provisions

10.1 *Technical Documentation.* Any and all technical and other documentation provided by the Customer to the Supplier in connection with the Subject of Performance shall remain the exclusive property of the Customer (or third parties which the Customer received the documentation from). Technical and other documentation as defined in this Section 10.1 of the T&C shall not be disclosed or made available by the Supplier to any third party or used for the benefit of any third party unless the Customer gives prior written consent. The Supplier is entitled to use this documentation only in connection with the performance of its obligations under the Contract. In the event that the technical documentation is prepared by the Supplier, the Supplier shall ensure that such documentation is prepared in such a way that (i) it meets all requirements under the Contract and T&C and (ii) it does not infringe or jeopardize the intellectual property rights of any third party; in the event of infringement of the intellectual property rights of a third party by the Supplier, the Supplier shall indemnify the Customer for all claims, damages and penalties suffered by the Customer in this respect. The Supplier shall submit the documentation prepared by the Supplier electronically no later than on the day of Delivery of the Subject of Performance in the Czech language (Suppliers who do not have their registered office in the Czech Republic may submit the documentation in the English language). The documentation prepared by the Supplier under the Contract shall be subject to Section 10.9 of the T&C.

10.2 *Activities Performed by the Supplier on the Customer's Site.* Should the Supplier perform the Subject of Performance within the premises of the Customer or in the place designated by the Customer, it shall operate for this purpose only in the premises or handling areas designated for it by the Customer and to comply with any and all regulations of occupational safety and health, in particular, the regulations governing the rules of conduct on the premises of the Customer.

10.3 *Setting off Receivables.* The Customer shall be entitled to unilaterally set off any of its own receivables or receivables acquired by assignment, due or not yet due, with the Supplier's receivables under the Contract. The Supplier is not entitled to make unilateral set-off with the Customer's receivables arising from the Contract, or these T&C (the Supplier is entitled to make set-off only with the Customer's consent).

10.4 *Assignment of Receivables.* The possibility of assigning the Supplier's receivables that the Supplier has from the Customer as of the Contract date or that arise from the Customer under the Contract or these T&C is excluded by this Contract. Assignment of receivables according to the previous sentence is only possible with the prior written consent of the Customer.

10.5 *Transferability of Rights and Obligations under the Contract.* The Customer is entitled to transfer the rights and/or obligations under the Contract to a third party. The

Customer shall notify the Supplier in writing of the transfer of rights and obligations under the Contract to a third party. In the event of transfer of rights and/or obligations under the Contract, the Supplier consents to the transfer and agrees to perform its obligations under the Contract towards the Customer's successor in title specified in the notice pursuant to the first sentence of this Section 10.5 of the T&C. The transfer of rights and obligations shall become effective upon delivery of the notice pursuant to this Section 10.5 to the Supplier.

10.6 *Pledging of Receivables.* The possibility of assigning the Supplier's receivables that the Supplier has from the Customer as of the Contract date or that arise from the Customer under the Contract or these T&C is excluded by these T&C. Assignment of receivables according to the previous sentence is only possible with the prior written consent of the Customer.

10.7 *Right of Retention.* The Supplier is not entitled to retain (i.e. is not entitled to exercise a right of retention over) the Subject of Performance or any part thereof, including any documentation. The Supplier shall be responsible for ensuring that no Subcontractor retains (i.e. exercises a retention right over) the Subject of Performance or any parts of the Subject of Performance, including any documentation.

10.8 *Supplier's Insurance.* The Supplier shall have liability insurance for damage caused to the Customer and third parties. The Supplier shall maintain such insurance in force and effect throughout the term of the Contract. The minimum amount of the insurance benefit shall be 150% of the Price.

10.9 *License.* If the Supplier's Scope of Performance includes the creation and/or development and/or delivery of custom-made intellectual property (in particular, but not exclusively, technical documentation or software), the Supplier shall transfer to the Customer, to the maximum extent permitted, the proprietary rights to such intellectual property and, if not legally possible, grant the Customer an exclusive, transferable and quantitatively and geographically unlimited license (including the right to sublicense) to such intellectual property; such licence shall be for the duration of the relevant copyright and the Customer shall not be obliged to use such licence. If the Supplier's performance includes the provision and/or delivery of intellectual property that is not custom-made for the Customer, the Supplier shall grant the Customer a non-exclusive, transferable, and quantitatively and geographically unlimited license (including the right to sublicense) to such intellectual property; such license shall be for the duration of the ownership rights in such intellectual property. The Price shall include full compensation for the transfer of rights and the granting of licences under this Section 10.9 of the T&C.

11. Contract Termination

11.1 *Contract Termination.* The Contract may be terminated early only by agreement of both Parties or by

withdrawal of one of the Parties in accordance with the Contract and these T&C.

11.2 *Withdrawal by the Customer.* The Customer is entitled to withdraw from the Contract in accordance with the Civil Code. Customer is also entitled to withdraw from the Contract in the following cases:

- (i) the Supplier's delay in delivering the Subject of Performance exceeds twenty-one (21) days as of the date specified in the Contract; or
- (ii) the Supplier fails to provide replacement Subject of Performance without undue delay after the Subject of Performance has been returned in accordance with Section 8.2 clause (i) of the T&C; or
- (iii) the conditions set out in Section 8.7 of the T&C are met; or
- (iv) The Supplier substantially breaches any of its obligations under the Contract of these T&C; or
- (v) The Supplier non-substantially breaches of any obligation under the Contract or these T&C and fails to perform that obligation even within an additional reasonable period of time specified by the Customer; or
- (vi) the contractual penalties charged by the Customer to the Supplier under the T&C or the Contract are amounting to thirty percent (30%) of the Price; or
- (vii) a Force Majeure event as per Section 12.3 of the T&C, and/or its consequences preventing the performance of the obligations under the Contract shall continue for more than ninety (90) days; or
- (viii) the Suppliers enters into liquidation or is subject to execution by sale of the business; or
- (ix) an insolvency petition will be filed against the Supplier and published in the Insolvency Register, or the Supplier will be declared bankrupt, or the Supplier's assets will be declared bankrupt, or the Supplier will be reorganised, or the Supplier will be granted insolvency arrangement or other bankruptcy resolution, or the insolvency petition will be dismissed due to the Supplier's lack of assets. In the event of the Customer's withdrawal pursuant to this Section 11.2 clause (ix) of the T&C, a discount of five percent (5%) of the Price shall apply; or
- (x) The Principal Relationship between the Customer and its customer shall be terminated for any reason.

11.3 *Withdrawal by the Supplier.* The Supplier shall be entitled to withdraw from the Contract only in the cases mentioned below:

- (i) The Customer is in default in the payment of the Price for more than sixty (60) Business Days after the due date and the Customer has been notified in writing by the Supplier of such default, and the Customer has not paid the amount due to the Supplier even within an additional reasonable period of time specified in writing by the Supplier; or
- (ii) a Force Majeure event under Section 12.3 of the T&C preventing the performance of the obligations under the Contract shall continue for a period of

more than three hundred and sixty-five (365) days;
or

(iii) the Customer's property is finally declared bankrupt.

11.4 *Settlement after Withdrawal from the Contract.* In the event of withdrawal from the Contract pursuant to Section 11.2 or 11.3 of the T&C, the Customer shall be entitled to decide at its own discretion whether to refuse to accept and pay for the Subject of Performance or whether to retain all or part of the Subject of Performance that has been delivered or manufactured by the Supplier, regardless of their stage of development and whether or not the title has already passed to the Customer. In the event that the Customer decides to keep the Subject of Performance, the Customer shall pay to the Supplier a portion of the Price corresponding to the value of the Subject of Performance; if the Customer has paid to the Supplier an amount exceeding the value of the Subject of Performance before withdrawing from the Contract, the Customer shall be entitled to settlement and return from the Supplier the amount exceeding the value of the Subject of Performance so taken over. The Supplier shall ensure that Subcontractors also comply with this Section 11.4 of the T&C. The Supplier shall further ensure the assignment of the rights and obligations from the contracts with Subcontractors from the Supplier to the Customer in case of withdrawal from the Contract at the Customer's request.

11.5 *Form and Effects of Withdrawal.* The withdrawal shall be made in writing and be duly delivered to the other Party. Withdrawal shall become effective on the date on which the notice of withdrawal is delivered to the relevant Party.

11.6 *Continuing Claims and Arrangements* The Contract shall extinct upon the withdrawal thereof. The following obligations and arrangements under the Contract and T&C and the claims of the Parties shall not be affected by the withdrawal:

- (i) claims for damages for breach of the Contract;
- (ii) the provisions governing the quality guarantee and rights arising from defective performance, including claims arising therefrom;
- (iii) claims for payment of contractual penalties arising from breach of the Contract;
- (iv) provisions governing the rights and obligations of the Customer under Sections 5.6 to 5.10 of the T&C;
- (v) provisions governing the settlement of the Parties in the event of withdrawal;
- (vi) provisions regarding the return of entrusted items;
- (vii) provisions on the obligation of confidentiality, confidentiality and confidentiality of documents;
- (viii) provisions on choice of law and dispute resolution;
- (ix) provisions relating to such rights and obligations which by their nature are intended to bind the Parties after termination of the Contract.

12. Final Provisions

12.1 *Suspension of Performance under the Contract.* At any time prior to Delivery of the Subject of Performance,

the Customer is entitled to suspend the Supplier's performance under the Contract without giving any reason. During the period of suspension, the Supplier shall take proper care of the manufactured or in-progress Goods and to deliver it without undue delay after the end of the relevant suspension. The Supplier shall only be entitled to claim reasonable and properly documented storage costs on account of the suspension of performance, whereas it shall be entitled to claim such costs from the Customer (i) from the fifteenth (15th) day of the suspension in general, or (ii) from the thirtieth (30th) day of the suspension if the suspension is due to the suspension or cancellation of the Principal Relationship. Except for the compensation of costs pursuant to the preceding sentence, the Supplier shall not be entitled to any increase in the Price due to the suspension.

12.2 *Non-Disclosure and Confidentiality.* Neither the Supplier nor the Customer shall, without the prior consent of the other Party, disclose to third parties any information about the existence of the Contract and its contents, or any information or documents that the Parties have communicated to each other and that relate directly or indirectly to the Contract; the exceptions being (i) documents and information required to be disclosed by law and/or decisions of public authorities and/or for the purpose of performing the Principal Relationship, and (ii) information and documents disclosed to the Parties' tax, legal and other advisors and/or Subcontractors, provided, however, that such advisors and Subcontractors shall be bound to confidentiality and protection of confidential information at least to the same extent as under this Section 12.2 of the T&C. The Supplier and the Customer shall be liable for any damage incurred by the other Party for breach of this obligation. If a confidentiality agreement or other similar agreement has been entered into by and between the Parties, such agreement shall prevail.

12.3 *Force Majeure.* Force Majeure means an extraordinary, unforeseeable, insurmountable and irreversible obstacle, unforeseeable at the time of the conclusion of the Contract, (i) which has occurred independently of the will and beyond the control of the Party referring thereto, and (ii) which temporarily or permanently prevents it from performing its obligation under the Contract or the T&C. For the purposes of these T&C, such obstacles shall include, in particular, natural disasters, terrorist attacks, wars, civil disturbances, uprisings or revolutions of a non-local nature, general strikes and strikes of an entire industry; provided, however, that they meet the requirements of the preceding sentence. Force Majeure events shall not include events such as lockouts, delays in deliveries by Subcontractors (unless caused by Force Majeure), insolvency, labour or material shortages. Further, Force Majeure shall not include an obstacle that arose at a time when the obligated Party was already in default of its obligation under the

- Contract or arose as a result of its economic circumstances. In the event of a Force Majeure Event, the affected Party shall be granted an extension of time to perform its obligations under the Contract for the duration of the Force Majeure Event. In the event of a Force Majeure Event, the affected Party shall continue to perform those obligations under the Contract that are not limited by the Force Majeure Event and shall take any possible steps to mitigate the effects of the Force Majeure Event. If the Force Majeure is referred to by the Supplier, the Supplier shall inform the Customer of the occurrence and termination of the Force Majeure Event in writing without undue delay, but no later than within five (5) Business Days; otherwise, the Supplier shall not be able to invoke the Force Majeure circumstances.
- 12.4 *Governing law.* The rights and obligations of the Parties and related matters (including the conclusion of the Contract, its validity and effectiveness) shall be governed by the laws of the Czech Republic. If the T&C or the Contract contain a reference to a specific INCOTERMS clause, the provisions contained for that clause in the relevant version of INCOTERMS become part of the T&C or the Contract. Application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is hereby excluded
- 12.5 *Change of Law.* The Supplier shall monitor and evaluate legislative changes on a regular basis. In the event that a change in the law or any other binding regulations affects the performance of obligations under the Contract and/or the T&C, the Supplier shall promptly notify the Customer in writing of such change, including whether, in the Supplier's opinion, such change in the law also requires a change in the Contract. However, any amendment to the Contract shall always be agreed to by both Parties.
- 12.6 *Dispute Settlement.* Any disputes or claims arising from or related to the Contract and/or the T&C that cannot be resolved amicably shall be resolved under Czech law by the following courts:
- (i) The Regional Court in Brno in the case of disputes which the regional courts are competent to decide as courts of first instance; and
 - (ii) The District Court in Uherské Hradiště in the case of disputes which the district courts are competent to decide as courts of first instance.
- 12.7 *Severability Clause.* In the event that any provision of these T&C or this Contract is or becomes or is found to be invalid, ineffective or unenforceable, the validity, effectiveness and/or enforceability of the remaining provisions of these T&C or the Contract shall not (to the maximum extent permitted by applicable law) be affected thereby. The Parties shall replace such invalid, ineffective or unenforceable provision with a valid, effective and enforceable provision which will, to the greatest extent possible, have the same meaning and effect as the provision to be replaced and which is permitted by law.
- 12.8 *Communication.* Communication between the Parties shall be primarily conducted by e-mail. For this purpose, the Parties will provide each other with their contact e-mail addresses. In the event of a change in the provided e-mail address, the concerned Party is obliged to inform the other Party of the change without undue delay. If the Contract is concluded prior to the provision of the Technical Sheet, the Supplier agrees, by accepting the Proposal or the Counter-Proposal, to receive the Technical Sheet by e-mail to the contact e-mail address provided by the Supplier to the Customer or to the contact address stated on the Supplier's website.
- 12.9 *Publications of the T&C.* The Customer shall publish the individual versions of these T&C and the documents constituting the Requirements for the Goods on the Customer's Website, indicating their version and date of publication. Reference to the current published version of the T&C and/or the Requirements of the Goods shall be deemed sufficient, clear and certain for the relevant current version of the T&C and/or the Requirements for the Goods to apply to the contractual relationship in question.
- 12.10 *Amending the T&C.* The Customer is entitled to make changes in the T&C at any time on the Customer's Website. Newly concluded Contracts shall always be governed by the current version of the T&C and the Requirements for the Goods. The new wording of the T&C and/or the Requirements for the Goods shall be applied to already concluded Contracts if both Parties agree to it in writing.
- 12.11 *Limitation Period, Notification of Claims.* Pursuant to Section 630 of the Civil Code, the Parties hereby:
- (i) extend the period of limitations concerning the Customer's rights under the Contract and/or the T&C to a period of ten (10) years; and
 - (ii) reduce the period of limitation concerning the Supplier's rights under the Contract and/or the T&C to one (1) year.
- The Supplier shall further notify any claim against the Customer within three (3) months as of the date on which it became aware of the claim or could have become aware of the claim, otherwise the claim shall become null and void.
- 12.12 *Effect.* This version of the T&C shall become effective on July 1, 2024

