

GENERAL TERMS AND CONDITIONS OF PURCHASE, No. 2025-09

MSV Metal Studénka, a.s., ID: 47675942 valid
and effective from 23.09.2025

PART A – INTRODUCTORY COMMON PROVISIONS**1. INTERPRETATION OF TERMS, SCOPE**

1.1. In these General Terms and Conditions of Purchase, the following terms have the following meanings:

- a) **“Company”** means the buyer in a contract for the supply of goods (purchase contract) or the customer in a contract for work and services, i.e. always MSV Metal Studénka, a.s., ID: 47675942, with its registered office at R. Tomáška 859, 742 13 Studénka.
- b) **“Supplier”** means the other party in the contract for the supply of goods (purchase contract), i.e. the seller, or in the contract for work and services, i.e. the contractor or the party which is designated as the seller or contractor in the Contract.
- c) **“Goods”** means the goods as delivered by the Supplier to the Company, including any packaging, containers or tags supplied with the goods and all related services provided under the respective purchase contract.
- d) **“Work”** means the manufacture of a certain thing, the performance of work or the provision of a service by the Supplier to the Company on the basis of a respective contract for work and services.
- e) **“Contract”** means a contract for the supply of Goods (purchase contract), a contract for the manufacture of a Work (contract for work and services), an individual contract concluded in accordance with a framework purchase contract or a framework contract for work and services.
- f) **“CC”** means Act 89/2012 Coll., Civil Code, as amended.

1.2. These General Terms and Conditions of Purchase (hereinafter also **“GTC”**) are business conditions in the sense of the provisions of Section 1751 et seq. CC, the purpose of which is a detailed regulation of the obligations under the contracts concluded between the Company, as the buyer or customer, and the Supplier – a legal or natural person doing business as a seller or contractor, the subject of which is the sale of Goods or the performance of Work.

1.3. In the event of a conflict between the wording of the Contract and these GTC, the provisions of the Contract shall always prevail.

2. CONCLUSION OF THE CONTRACT, AMENDMENT OF THE CONTRACT

2.1. The Company's proposal to conclude the Contract shall be done only in writing and excludes any offer from another entity to enter into the Contract. An integral part of the Company's proposal to conclude the Contract (order) are these GTC. This proposal to conclude the Contract (order) shall be considered accepted and the Contract shall be considered concluded at the moment when the Contract signed by the Supplier is delivered to the Company, or the moment when the Supplier with the proposal to conclude the Contract (order) gives its consent to the Company in another suitable way (for example, also by the actual commencement of performance according to the order). The Company hereby excludes, in the meaning of Section 1740, paragraph 3 of the Civil Code, the acceptance of a proposal to conclude the Contract with an amendment or deviation, even if it does not substantially change the terms of the proposal. The Company is

entitled to cancel or change, in writing, its proposal to conclude the Contract if such expression of will occurs to the Supplier before the Contract is concluded.

- 2.2. The concluded Contract can only be changed in writing. Legal acts performed in writing are also considered legal acts performed by electronic or other technical means, enabling the capture of the content and identification of the negotiating party, provided that their content is certain and comprehensible and the legal act is performed by a person authorized to do so.
- 2.3. These GTC are binding for the contracting parties from the date of concluding the Contract if the Contract contains a reference to the GTC and the GTC are attached to the Contract or the Supplier confirms in the Contract or in another way that it is aware of the content of the GTC. The Supplier's terms and conditions, if they deviate from the content of these GTC or the Contract, or if they are in conflict with them, are void and shall not become part of the concluded Contract unless the Company expressly agrees to them in writing.
- 2.4. The Contract includes the GTC in the wording valid and effective on the date of its conclusion. Changes and additions to the GTC, as well as any changes, additions and addenda to the Contract are only permitted in writing, with the prior consent of both contracting parties.
- 2.5. The Supplier undertakes to comply with the Company's Code of Ethics No. RO-007, as an integral part of the Agreement, in its currently valid and effective version, as available on the Company's website, in the section "For partners"/"For Suppliers" – see www.msvmetal.com/for-suppliers/. Unless otherwise specified, the new version of the Code of Ethics shall be effective from the moment of its publication on the Company's website.

PART B – CONTRACT FOR THE SUPPLY OF GOODS (PURCHASE CONTRACT)

This Part B of the GTC governs the relationship between the Supplier and the Company when the subject of the Contract is the delivery of the Goods.

3. PROPERTIES OF THE GOODS

- 3.1. All Goods delivered by the Supplier under the Contract: (a) shall be free from legal defects; (b) shall comply with all specifications, drawings and other documentation and information provided to the Supplier in connection with the Contract; (c) shall be new, unused and correspond to the marking indicated on the containers in which the Goods will be transported, or on descriptive labels supplied together with the Goods; (d) shall be delivered in the agreed quality and have the properties usual for the relevant type of Goods; (e) shall have a useful life corresponding to the normal useful life of such Goods under the normal use of the Goods, but at least for the warranty period; (f) shall be safe and in accordance with all applicable legal regulations, decrees and technical standards (ČSN, EN) concerning goods of the same nature as the delivered Goods; (g) shall be free from any defects; (h) shall correspond to the samples delivered to the Company and on the basis of which the Contract was concluded, (i) if the Supplier is familiar with the place of final delivery of the Goods or the registered office of the Company, the Goods must comply with the applicable legal regulations of such destination and the registered office of the Company's customer.
- 3.2. Through its authorized representative or through the representative of its customer, the Company has the right to check for compliance with the procedures of production of the Goods at the Supplier and the Supplier is obliged to enable the Company to do so. In exercising this right, the Supplier shall provide the Company with all necessary cooperation and technical support.

- 3.3. If the Goods are subjected to tests at the Supplier during the course of production, the Company or its authorized representative has the right to take part in these tests. The Supplier is obliged to notify the Company in writing at least five working days in advance of the date of the testing of the manufactured Goods. If the agreed properties of the Goods are not certified by the test carried out, the Supplier is not entitled to deliver any Goods forming part of such a defective production batch to the Company.
- 3.4. If during the inspection of the production of the Goods at the Supplier the Company finds that the Supplier is not in compliance with the prescribed technological procedures or with those agreed in the Contract or violates the quality control rules agreed in the Contract, or that the manufactured Goods show any defects (especially design defects, material or processing defects), it shall notify the Supplier of it in writing, who shall then be obliged to arrange an immediate remedy and to inform the Company of it in writing within three working days. Failure to do so constitutes a material breach of the Contract.

4. DELIVERY OF THE GOODS

- 4.1. The Supplier is obliged to deliver the Goods in DDP parity (plant at the Company's registered office) in accordance with Incoterms 2020. The Goods are considered to have been duly delivered to the Company if the Goods have been handed over to the Company by means of a delivery note (or handover protocol) signed by the Company, without legal or factual defects, and together with the documentation stipulated by Article 4.5 of these GTC .
- 4.2. In the event of a discrepancy between the weight stated in the Supplier's documentation and the weight measured upon delivery, Goods that are delivered at prices determined by weight shall be charged according to their actual weight (net weight) measured upon delivery. The weighing procedure shall be performed by the Company, and the Supplier has the right to participate in the weighing procedure if it is present at the delivery of the Goods.
- 4.3. The Goods must be properly delivered within the period agreed in the Contract as the time of performance, i.e. by the agreed term specified in the Contract. Failure to deliver the Goods properly and on time is considered a material breach of the Contract. The Supplier undertakes to immediately inform the Company in writing of any actual or possible delay in the delivery of the Goods and of any facts that could jeopardize the timeliness of the delivery of the Goods. The provision of such information does not relieve the Supplier of responsibility for the delay in delivering the Goods.
- 4.4. Partial deliveries of the Goods are not possible, nor is the early delivery of the Goods, unless the Company agrees in writing to it prior to the delivery of the Goods. The Company must be informed in writing of each delivery of the Goods at least five working days before delivery. Shipments must always be marked with the number of the Contract (or the order number of the Company) on the outside of the packaging of the Goods. The Goods shall be packed and/or stored on pallets in such a way as to ensure the sufficient protection of the Goods during transport and to ensure that the Goods can be stored in good and safe condition. The Supplier is liable for damage caused to the Goods by poor or insufficient packaging. Used packaging and fixing materials are to be returned only if expressly agreed in the Contract.
- 4.5. Together with the delivered Goods, the following shall also be handed over to the Company: (i) a duly confirmed delivery note (or handover protocol) signed by an authorized representative for the Supplier, (ii) all material and documents necessary for the acceptance and free handling of the Goods , and other documents relating to the Goods (e.g. declarations of conformity, certificates,

etc.) required by law, ČSN EN standards, etc., (iii) other documents specified in the Contract. All documents must be easy to read, clear and error-free. The documents must be prepared in the Czech language.

- 4.6. The delivery note (or handover protocol) must contain in particular the following information: a) description of the Goods, b) quantity of the delivered Goods, c) number of the Contract (or order number of the Company), d) identification number of the item as stated in the Contract (or in the Company's order).
- 4.7. The Company is not obliged to accept Goods that are clearly defective at the time of delivery, i.e. damaged or otherwise show clear defects (including the absence of proper documentation), and the Company's refusal to accept such Goods shall not put it in default with accepting the Goods. The parties shall prepare a record of the refusal to accept the Goods and the reasons for it, which shall be confirmed by signatures.
- 4.8. Ownership of the Goods and the risk of damage to the Goods shall pass from the Supplier to the Company at the time of the proper delivery of the Goods to the Company.

5. DEFECTIVE GOODS, WARRANTY

- 5.1. The Goods shall be considered defective if in any respect they do not correspond to the Contract or to samples, specifications, drawings or other documentation given to the Supplier in connection with the Contract, or they have no other properties, specified in Article 3.1 of these GTC.
- 5.2. The Supplier provides a quality guarantee for the delivered Goods, with the warranty period beginning on the day of receipt of the Goods by the Company from the Supplier and ending 24 months from the date when the Company delivers to its customer the Goods or a finished item that incorporates the respective Goods, but no longer than 36 months from the date of receipt of the Goods by the Company from the Supplier.

6. PRICE OF THE GOODS

- 6.1. The price of the Goods includes all costs of the Supplier, including the packaging of the Goods and transport to the place of delivery, as well as the costs of transporting empty packaging back if the return of the packaging has been agreed.

PART C – CONTRACT FOR WORK AND SERVICES

This Part C of the GTC governs the relations between the Supplier and the Company if the performance of the Work is the subject of the Contract.

7. QUALITY OF THE WORK

- 7.1. The Work shall be made (a) in the agreed quality; (b) without legal defects; (c) in accordance with all specifications, drawings, public decisions and other documentation and information given to the Supplier in connection with the Contract; (d) in accordance with applicable legal regulations, manufacturing instructions of individual equipment, products or materials, relevant ČSN EN and other technical standards, specified in the documentation, which is binding for the Supplier under the Contract; (e) in accordance with the instructions of a person in the position of providing

technical, construction or author's supervision for the Company, or other control over the performance of the Work, unless these instructions are in conflict with the Contract.

- 7.2. The Supplier is obliged to use exclusively new items as part of the Work, i.e. not items already used or otherwise worn, nor refurbished items, unless otherwise agreed in writing in advance. No materials, technologies, or products or components of manufacturers other than that which is specified in the documentation, which the Supplier is obliged to follow in the performance the Work, may be used without the prior written consent of the Company. The Supplier is not entitled, in connection with the performance of the Work, to use materials or products that are harmful, defective or otherwise unsatisfactory from the point of view of safety, and all materials and products used must have a certificate of their origin.

8. SCHEDULE FOR THE PERFORMANCE OF THE WORK

- 8.1. The schedule for the performance of the Work is part of the Contract. The Company is entitled to adjust the schedule for the performance of the Work in connection with its operational needs

or requirements. The Company is therefore entitled to set a later date for the commencement of the relevant work, or to suspend the performance of the relevant work for the necessary time, forced by operational needs. During this period the Supplier shall not be in delay with the performance of the Work, and the deadlines for the completion of such affected works, as well as any work related to them, shall be extended by the time of this shift/pause. If in writing and at least 14 days in advance the Company conveys a request to the Supplier that affects the schedule for the performance the Work, the Supplier shall not be entitled to any type of price increase for the Work, nor to compensation for extra work, damages or other similar monetary claims arising as a result of a possible increase in costs on the part of the Supplier.

- 8.2 The Supplier shall not be in delay with the performance of the Work for any period of obstacles that occur on the part of the Company or have been caused by force majeure, which objectively prevent the Supplier from the proper performance of the Work. Adverse climatic conditions are also considered an obstacle to the performance of the Work, but only if they affect technological procedures arising from applicable legislation or technical standards that are binding for the Supplier. The Supplier is obliged to notify the Company in writing of the occurrence of such obstacles on the day on which it discovered or could have or should have discovered the existence of such an obstacle. Only such a duly notified obstacle is relevant from the point of view of assessing the Supplier's responsibility for the proper performance of the Work, and no other obstacles, even if they objectively prevent the Supplier from progressing with its work, will be taken into account from the point of view of assessing compliance with the schedule for the Work.

9. METHOD OF THE PERFORMANCE OF THE WORK

- 9.1. The Supplier is obliged to perform the Work under its personal guidance, and only with the use of subcontractors approved in advance in writing by the Company. In cases where the Company grants such written consent to the Supplier, the Supplier shall be obliged to enter into relevant contracts with subcontractors prior to the commencement of their performance containing provisions as similar as possible to the provisions of the Contract and its terms and conditions (including these GTC). However, despite the conclusion of these contracts, the Supplier will continue to be directly liable to the Company for the fulfillment of all its obligations under the Contract. If the Supplier uses a subcontractor or any other third party in the fulfillment of the

Contract, it shall compensate the Company for any damage caused by them as if it had caused such damage itself.

- 9.2. The Supplier is obliged to carry out all professional work through employees with the proper qualifications, which also applies to the employees of its subcontractors. At the request of the Company, the Supplier is obliged to provide proof of qualification of all persons participating in the performance of the Work on the part of the Supplier.
- 9.3. The Supplier is obliged to allow the authorized persons of the Company to continuously check the status of the performance of the Work, even if the Work is being done on the premises of the Supplier or third parties. From the date of commencement of activities focused on the performance of the Work, the Supplier is obliged to regularly inform the Company in writing, at least once every 14 days, about the status of preparations towards the performance of the Work (progress of project preparation, assignment of individual parts of the Work to production, the process of ordering individual partial components of the Work, etc.), so that the Company has an ongoing opportunity to verify whether the fulfillment of the schedule for the performance of the Work is not in jeopardy. At the request of the Company, the Supplier is obliged to document the facts contained in its report with the relevant documents, possibly in the form of photo or video documentation.
- 9.4. The Supplier is obliged to immediately notify the Company of any incorrectness in the instructions given or of the unsuitability of the item procured by the Company to perform the Work, and always in writing. The Supplier is not entitled to withdraw from the Contract on the grounds that the Company insists on the instructions given/on the use of the procured item, even though the Company has been notified of its incorrectness/unsuitability, unless to continue the performance of the Work violates an applicable legal regulation or technical standard, which is binding for the Supplier.
- 9.5. If the subject of the Work is a draft technical solution, study or project documentation at any stage, this documentation is subject to approval by the Company before its final processing. The Supplier shall include with the submitted draft documentation the records of discussions concerning the opinions of all the bodies or organizations concerned, including the opinions of the energy and media supplier. If the Company's remarks contain any requests to change the documentation, the Supplier is obliged to consider these requests, and unless there are serious reasons to the contrary, it is obliged to incorporate them in the final version of the documentation. If the Supplier does not incorporate the Company's requests into the final version of the documentation, it is obliged to notify the Company in writing of the qualified reasons for this failure to take the requests into account and to provide sufficient explanations to them. This does not affect the sole responsibility of the Supplier for the quality of the documentation.

10. THE PERFORMANCE OF THE WORK AT THE COMPANY AND CHECKING IT, OCCUPATIONAL SAFETY

- 10.1. If the Work is performed at the Company, the Company shall hand over the construction site to the Supplier (in the sense of demarcating the space wherein the Work shall be performed, demarcating the connections, including connection points, and demarcating areas intended for the storage of material and tools or the temporary storage of material from dismantling or demolition) on a mutually agreed date, but no later than one day before the day of commencement of work on the construction site as determined by the schedule for the performance of the Work. The handover and acceptance of the construction site will be confirmed by an entry in the construction log.

- 10.2. The Supplier is obliged to maintain order and cleanliness on the construction site and is obliged to continuously remove the waste and dirt generated by its activities. After the completion of the Work, the Supplier is obliged to vacate the construction site within two days and hand it over to the Company in this vacated condition.
- 10.3. The Supplier is obliged to keep a construction log with the requisite entries stipulated by the applicable legal regulation starting from the day of taking over the construction site. The construction log shall be made available at the construction site at any time on request to the Company's representatives authorized to carry out inspections of the proper performance of the Work and compliance with the rules of occupational safety. Both the Supplier and the Company are obliged to comment on the entries in the construction log concerning them, no later than 5 days from the date of their entry.
- 10.4. The Supplier is obliged to perform the Work in full respect of the Company's operating conditions at the construction site, taking into account all local operating risks occurring there with which the Supplier has been or will be acquainted. Any interruption of the Company's operations is permitted only to the extent necessary to properly perform the Work. The Supplier's requests for such interruptions shall be approved by the Company in writing, usually within the records of the construction log.
- 10.5. The Supplier is obliged to invite the Company to inspect and verify the works that will be covered over or become inaccessible in the next procedure, by entry in the construction log at least 3 days before they are covered over or made inaccessible. If the Supplier fails to do so, it is obliged, at the request of the Company, to uncover or otherwise make accessible the work carried out in order to undertake the inspection, and to do so at its own expense.
- 10.6. The Company is obliged to provide the Supplier with cooperation in connection with the performance of the Work to the extent agreed in the Contract. If the Company does not provide its cooperation even within an additional period of time provided by the Supplier, the Supplier is entitled to carry on with its activities to the extent of the non-cooperation and do so at the expense of the Company, but it has no right to withdraw from the Contract for this reason. This does not apply in cases where the provision of activities to the extent of non-cooperation is not objectively possible.
- 10.7. The Supplier is fully responsible for fire protection, the safety and protection of the health of all persons on the construction site, and is obliged to equip all persons involved in the performance of the Work with protective work gear at its own expense. When performing the Work on the construction site, the Supplier is obliged to ensure, at its own expense and responsibility, all safety requirements for these spaces, their layout and the working environment related to them, as well as the requirements for production and working resources and equipment used by the Supplier, and to maintain them in a suitable and safe condition throughout the performance of the Work on the construction site.
- 10.8. For activities on the construction site and on the premises of the Company, the Supplier is obliged to follow the collection of Mandatory Conditions and associated documents for the activities of external persons (Suppliers) in terms of the occupational health and safety, fire protection and environmental protection of the Company in the version that was valid at the date of concluding the Contract and which is available on the Company's website in the section "For partners"/"For Suppliers". These conditions and documents do not have the character of business conditions according to the provisions of Section 1751 of the Civil Code, rather form a summary of internal rules valid on the Company's business premises for safety and health, environmental protection, fire protection, etc. By concluding the Contract, the Supplier declares that

- it is familiar with the content of these documents and has fully understood them,
- the content of these documents does not contain any provisions which it could not reasonably have expected,
- it has fully noted the rights and obligations arising from these documents for the Supplier, including the obligation to comply with or accept the sanctions imposed for breaching them.

10.9 Throughout the entire period of performing the Work at the Company, the Supplier is obliged to have insurance covering its liability for damage caused by its operational activities, with a limit of the insured amount per insured event of at least the price of the Work, but no less than 200 000 €. The Supplier is obliged to submit a valid insurance policy and all other insurance documents (insurance terms and conditions) at the Company's request.

10.10 If stipulated in the Contract, the Supplier is obliged to take out construction and assembly insurance covering all damage to the Work, to assembly and construction machinery and to equipment on the site, valid at least until the Work is handed over to the Company and effective from the date of commencement of the Work. This construction and assembly insurance shall be procured as "all risk" insurance with the encumbrance of the insurance indemnity in favor of the Company to compensate it for damages incurred. The detailed requirements for construction and assembly insurance are stipulated in the Contract. The Supplier is obliged to submit proof of the insurance policy to the Company no later than on the day of the handover and acceptance of the construction site.

11. TRANSFER OF THE WORK

11.1 The Supplier shall fulfill its obligation to perform the Work by properly completing and handing it over to the Company without reservations about the quality of the completed Work. Handing over the Work in parts is excluded. The Supplier is obliged to invite the Company in writing to accept the Work at least 5 days in advance, provided that the Company is able to inspect the Work before accepting it.

11.2 The condition for the transfer of the Work to the Company is the demonstration of the ability of the Work to serve its purpose, i.e. the successful completion of all tests to the extent specified in the Contract, in applicable legislation, in the technical standard binding for the Supplier or in documentation related to the Work, and handing over the complete technical/operational/quality documentation related to the Work to the Company, including a copy of the construction log.

11.3 The Work shall be deemed delivered and accepted upon the signature of a written handover protocol by the Company and the Supplier.

11.4 The Company is entitled to accept the Work with reservations on the condition that the reservations do not prevent the proper use of the Work, and at the same time are subject to a written agreement on the date of their removal, concluded with the Supplier usually as part of the handover protocol. The acceptance of the Work without reservations does not alter the Company's right to apply claims for defective performance, including rights in relation to clear defects in the Work, if this right is exercised in a timely manner.

12. DEFECTIVE WORK, WARRANTY

12.1. The Work shall be considered defective if it does not correspond to the result agreed in the Contract or it does not have other properties specified in Article 7.1 of these GTC.

12.2. The Supplier shall provide the Company with a warranty for the quality of the Work, which begins on the day the Company accepts the Work from the Supplier and lasts for a period of 24 months.

13. PRICE OF THE WORK

- 13.1. The price of the Work has been agreed as a fixed and maximum price, corresponding to the price budgeted in the Supplier's offer, and includes all costs of the Supplier necessary to properly perform the Work to the extent stipulated by the Contract, including a reasonable profit. The Supplier has no right to demand an increase in the price for the Work due to errors or deficiencies in the itemized budget that forms part of the offer if these errors are the result of an inaccurate or incomplete valuation of the list of works, supplies and services in the bill of materials.
- 13.2. If unforeseen facts that arise after the conclusion of the Contract or additional requests of the Company force a change in the price of the Work, the Supplier is obliged to provide written notification of them immediately, no later than 5 days after learning of them or could or should have learned of them. The Supplier is obliged to price the additional work thus created according to the unit prices used in processing the offer, otherwise according to the usual market prices valid at the given place and time, and to submit this valuation to the Company for comment. Any change in the price of the Work becomes binding upon the conclusion of a written amendment to the Contract and it cannot be made binding otherwise, e.g. by a simple entry in the construction log and its possible approval.
- 13.3. In the event that some works and supplies included in the Work do not have the prior consent of the Company (so-called canceled works), their price will be determined according to the calculation of the itemized budgets that form part of the Supplier's offer, otherwise according to usual market prices, and deducted from the total price of the Work. The Company is obliged to pay the Supplier the price of the Work in a reduced amount taking into account this deduction.

PART D – PROVISIONS COMMON TO THE PURCHASE OF THE GOODS AND PERFORMANCE OF THE WORK

14. PRICE AND PAYMENT TERMS

- 14.1. The price agreed in the Contract does not include value added tax (VAT) – this tax will be charged to the Supplier for payment in addition to the agreed price if so provided by applicable legislation.
- 14.2. The Supplier's right to the payment of the price, i.e. the right to issue a tax document (invoice) for the payment of the price arises only through the proper delivery of the Goods or performance of the Work without reservations about the quality of performance. The Supplier is not entitled to demand the payment of any advances from the Company.
- 14.3. All invoices must be issued by the Supplier and sent to the Company without delay, no later than 15 days after the date of the taxable supply, and they must contain all the details of a tax document according to applicable legislation, in particular: a) the business names and addresses of the Company and the Supplier, including their identification number and tax identification number, b) the date of the taxable supply, c) the date of issue of the invoice, d) the number of the Contract (or the Company's order number), e) the item number from the Contract (or the Company's order), f) the description of the Goods/Work, g) volume of the delivered Goods, h) number of the delivery note/handover protocol, i) invoiced amount without VAT and price per unit quantity

without VAT, j) invoiced VAT, k) all discounts provided by the Supplier, l) total invoiced amount including VAT, m) number of bank account published by the tax administrator in a manner enabling remote access in the meaning of the provisions of Section 109, paragraph 2(c) of Act 235/2004 Coll., on value added tax, as amended, for which the price is to be paid, including the bank code, n) the due date of the invoice. If the invoiced price consists of several items, the Supplier is obliged to properly account for these items in the invoice. A copy of the duly signed delivery note/handover protocol proving the proper handover of the Goods/Work shall be attached to the invoice.

14.4. In case the invoice is issued early, or in case of the failure to fulfil all the conditions stated in the previous paragraph, the Company is entitled to return the unpaid invoice to the Supplier for corrections or additions, and the Supplier is obliged to issue a new, flawless invoice with a new due date.

14.5. The due date of the invoice shall be 30 days from the date of the delivery of the invoice to the Company (with all the requisites and components listed above). Payment of the price or part thereof shall not be construed as recognition that the Supplier has properly fulfilled its performance, nor as recognition of the correctness of the invoiced amount.

14.6. The Supplier is not entitled to assign any of its receivables from the Company to a third party without the prior written consent of the Company (nor is it entitled to assign the Contract as a whole) or encumber such receivables with any rights of third parties. The Supplier is not entitled to set off its receivables from the Company against any receivables of the Company from the Supplier without the prior written consent of the Company.

14.7. Changing the payment account stated on the invoice to another published account is possible only on the basis of a written notice, delivered to the Company and signed by the statutory representative of the Supplier.

14.8. The Company is obliged to pay the price, possibly including the respective VAT, in the form of a bank transfer to the relevant payment account of the Supplier. Any invoiced amount shall be considered paid at the moment it is debited from the Company's account to the credit of the Supplier's payment account.

14.9. In the event that the Company will be charged the price for VAT, and

a/ the Supplier's payment account is not or will not be an account published by the tax administrator at the time of payment, or

b/ at the moment of the taxable supply or as of the date of payment, the tax administrator will publish the fact, in a manner enabling remote access, that the Supplier is an unreliable payer within the meaning of Section 106a of Act 235/2004 Coll., on value added tax, as amended,

the Company is entitled to pay the price only in its amount without VAT, provided that it is also entitled to pay the VAT relevant to this payment on behalf of the Supplier in the form of the so-called special method of procuring tax in the meaning of Section 109a of Act 235/2004 Coll., on value added tax, as amended.

14.10. In the event of the Company's delay in paying the duly charged price, as well as in the event of its delay in fulfilling any other financial obligation accepted under or otherwise arising from the Contract, the default interest rate shall be 0.03% of the amount due for each day of delay inclusive.

15. EXERCISING RIGHTS FROM DEFECTIVE PERFORMANCE

- 15.1 To avoid any doubt, it is expressly agreed that the Company is entitled to exercise both claims under the warranty and claims under liability for defects stipulated by the Civil Code, and the Supplier is obliged to comply with such claims. The provisions of these GTC do not preclude the application of any of the provisions of the Civil Code with regard to the exercise of rights arising from defective performance.
- 15.2 The Company is obliged to notify the Supplier in writing of any defects in performance within a reasonable period of time after their discovery, but no later than the end of the warranty period. The inclusion of defects in the copy of the delivery note or in the handover protocol shall also be considered written notification. The complaint is legitimate if it is sent to the Supplier no later than on the last day of the warranty period, which applies to defects that the Company could not detect upon receipt of performance from the Supplier (e.g. due to the chosen method of packaging). The Company is entitled to indicate in the complaint the claim it is exercising in connection with the occurrence of the defect and the Supplier is obliged to respect the chosen claim.
- 15.3 At the request of the Supplier, the Company shall allow the Supplier to inspect the defective Goods/Work in the place where they are located at the time of the complaint, including sampling the contested performance or performing a test to verify the actual properties.
- 15.4 The Supplier is obliged to notify the Company in writing of its qualified opinion on the complaint (i.e. state whether the complaint is acknowledged, whether the defect is repairable or not, what timeframe it proposes to eliminate the defect or for what reasons it does not accept the complaint) no later than two working days after the complaint was delivered to it, otherwise the complaint, including the Company's selected claim from liability for defects, shall be recognized as justified. If the Supplier does not inform the Company of its opinion on the complaint in time, such a delay shall be considered a material breach of the Contract.
- 15.5 If the Company requests the elimination of defects in the Goods/Work, the Supplier is obliged to correct the defective performance or replace it with a new, faultless performance immediately, but no later than seven days from receipt of the complaint unless the Company specifies a longer period (or unless otherwise agreed in writing by the parties). If the Supplier is in arrears with the elimination of the defective performance, the Company shall have the right (without prejudice to other rights of the Company) to eliminate the defects by its own means, or have the defects professionally removed by a third party, or have a third party provide replacement performance, and to demand that the Supplier reimburse the costs of such removal of the defect or the provision of replacement performance. The failure to eliminate the defects claimed by the Supplier within the specified period shall be considered a material breach of the Contract.
- 15.6 Spare parts or repaired portions are subject to the same warranty conditions as the original performance, including the warranty period. The warranty period shall be extended to cover the time the Goods/Work could not be used properly due to the defective performance.
- 15.7 The Supplier is obliged to compensate the Company for all direct and indirect damages incurred as a result of defects in the Goods/Work or as a result of their performance. Such damages are considered to be, in particular, costs for work, transport, etc., as well as sanctions and damages claimed by the Company's customer against the Company. The Supplier is also obliged to reimburse the Company for all costs expediently incurred in connection with the exercise of rights under the warranty, i.e. rights under the Supplier's liability for defects. The Company is entitled to exercise the right to the reimbursement of these costs within one month from the date on which the Supplier's obligation arising from its liability for defects is fulfilled.

- 15.8 Until the defective performance is eliminated, the Company is permitted to withhold a portion of the price that corresponds to its right to a discount in the event the defects persist. This portion of the price shall be settled by the Company after the end of the complaint process.

16. CONFIDENTIALITY OF INFORMATION, CONFIDENTIALITY, INTELLECTUAL PROPERTY RIGHTS

- 16.1 All information, know-how, technical documentation and its parts, including electronic files, drawings, technical solutions, specifications, photographs, samples, models, dies, tools and other information of the Company concerning manufacture, to which the Supplier has gained access in connection with negotiations for the conclusion of the Contract or its performance, remain the sole property of the Company and shall be considered strictly confidential for the duration of the Contract and for another 20 years after it expires, and they may not be used for any purpose other than fulfilling the contractual obligations of the Supplier to the Company, and the Supplier is not authorized to publish or make this information available to any third party or to use it for the benefit of any third party or for its own benefit (with the exception of the agreed benefit under the Contract). Copies of this information may only be made with the prior written consent of the Company.
- 16.2 No later than three working days after the expiration of the Contract, the Supplier is obliged to return to the Company all portable storages of the information mentioned in the previous paragraph, including all copies thereof (without the Supplier retaining any copies). The same applies at any time during the duration of the Contract if the Supplier is requested to do so by the Company in writing. The Supplier is obliged to maintain confidentiality towards third parties about the terms and conditions agreed in the Contract and about the content of related technical documentation, and it is allowed to acquaint them only with employees or subcontractors who are directly involved in the fulfillment of the Contract, members of the statutory and supervisory body, legal staff, auditor and tax adviser. The Supplier is obliged to maintain the confidentiality of all facts concerning the Company, of which it has become aware in connection with the negotiation of the Contract or its fulfillment. The Supplier is obliged to maintain the confidentiality of its subcontractors and employees who participate in the fulfillment of the Contract for the Company, to the same extent as the Supplier is obliged under these GTC. At the request of the Company, the Supplier is required to substantiate this obligation of its employees and/or subcontractors.
- 16.3 If any claim arises against the Company as a result of the manufacture, use, sale, rental or other action with the Goods/Work, which were the result of an infringement by the Supplier of copyright, registered patent or other intellectual property rights, the Supplier shall indemnify the Company for any damage, loss, cost or expense incurred in any way as a result of such claim or litigation. If the subject of performance delivered under the Contract is the tangible result of an activity protected by industrial property rights, the Supplier shall conclude an agreement with the Company that grants the transferable authorization, not limited by time or location, to exercise the right to use such a tangible result for any purpose. The Supplier shall grant the Company all corresponding rights necessary for the proper use of the provided performance for agreed or customary purposes, in particular intellectual property rights, patents, and all rights associated with industrial designs. The Supplier agrees that the delivered Goods/Work may be sold by the Company to third parties and it guarantees that no intellectual property rights will be infringed by this process.

17. SPECIAL TOOLS, REPLACEMENT MATERIAL, SPARE PARTS

- 17.1 All special tools and instruments purchased or manufactured by the Company or provided by the Company to the Supplier for the fulfillment of the Contract are the property of the Company and shall not be handled or used for any purpose other than for the production of Goods / for the performance of the Work for the Company without the prior written consent of the Company. The Supplier shall be responsible for ensuring that such tools are maintained in working order and in good condition, and it shall not pledge such tools or other items as collateral in any way or otherwise encumber them with the rights of third parties. The Supplier is obliged to store such tools in such a way that they cannot be damaged, and it is obliged to designate them as the property of the Company. The Supplier is obliged to act with the diligence of a responsible caretaker. The Supplier is obliged to notify the Company immediately of any damage and to remove it immediately at its own expense. The Supplier is obliged to hand over such special tools to the Company immediately after the Company asks it to do so.
- 17.2 Without the prior written consent of the Company, no substitutes or changes to the material or components (or changes to any other properties) by the Supplier are permitted in relation to the Goods delivered/Work performed according to the Contract. If the need for a change in material arises, the Supplier is obliged to inform the Company of this fact with adequate time in advance in order for the Company to approve the change. The Supplier is not entitled to add any surcharges, extra costs or other payments to the agreed price in connection with a change in material unless previously agreed in writing with the Company.
- 17.3 The Supplier is obliged to provide the Company or its designated customers with spare parts related to the delivered Goods at the price of individual parts of the Goods (to be replaced by spare parts), as agreed in the Contract (unless otherwise agreed in writing), for at least two years after the completion of the proper delivery of the total volume of Goods ordered by the Company under the Contract.

18. SANCTIONS

- 18.1 In the event of a delay in the agreed term for delivering the Goods/the performance of the Work, the Supplier undertakes to pay the Company a contractual penalty of 0.5% of the price of the undelivered Goods/price of the Work, including VAT, for each day of delay inclusive.
- 18.2 In the event of a delay by the Supplier in removing the claimed defects, the Supplier undertakes to pay the Company a contractual penalty of 0.5% of the price of the defective performance, including VAT, for each day of delay inclusive.
- 18.3 The Supplier undertakes to pay the Company a contractual penalty in the amount of CZK 100,000 for each individual breach of the obligation specified in Chapter 16 of these GTC.
- 18.4 The payment of the contractual penalty in accordance with these GTC or other financial sanctions agreed in the Contract do not prejudice the Company's right to compensation for damages, to the extent that the damages incurred exceed the paid contractual penalty.

19. CIRCUMSTANCES EXCLUDING LIABILITY

- 19.1 Cases of force majeure within the meaning of the provisions of Section 2913, paragraph 2 of the Civil Code, i.e. special unforeseeable and insurmountable obstacles, arising independently of the will of the contracting party, which temporarily or permanently prevent it from fulfilling its contractual obligations, are considered circumstances that exclude liability. An obstacle arising

from the economic situation of the contracting party or which arose only at a time when the contracting party was in arrears with the fulfillment of its contractual obligation, or an obstacle which the contracting party is obliged to overcome, shall not have the character of force majeure. In the event of force majeure, the contracting party is obliged to notify the other contracting party in writing about it without delay, no later than within 5 days of its occurrence. The failure to comply with this time limit shall invalidate the right to invoke this circumstance and exclude liability.

- 19.2 If force majeure lasts for a period not exceeding 30 calendar days, the contracting parties are obliged to fulfill the obligations arising from the Contract as soon as the effects of force majeure cease to exist, while delivery times and all other deadlines shall be postponed by the period of force majeure. If the obstacle of force majeure lasts longer than 30 calendar days, each of the contracting parties has the right to withdraw from the Contract.

20. WITHDRAWAL FROM THE CONTRACT, INSOLVENCY CLAUSE

- 20.1 The Contract may be terminated in the cases described in the Civil Code or stated elsewhere in these GTC, otherwise only in the event of a material breach of the Contract, which means
- the Supplier has exceeded the deadline for fulfillment by more than thirty (30) days,
 - the Company is overdue paying the price by more than thirty (30) days,
 - repeated occurrence of defective performance under warranty preventing the proper use of the Goods/Work for the agreed, otherwise usual purposes,
 - repeated delay by the Supplier with the elimination of defective performance under warranty that prevent the proper use of the Goods/Work for the agreed, otherwise usual purposes.
- 20.2 The Contract may be terminated by written notice, without undue delay, no later than thirty (30) days from the date on which the withdrawing contracting party became aware or could have become aware of the reasons justifying the termination. The effects of terminating the Contract shall apply to the entire performance, unless the aggrieved party withdraws only from the unfulfilled part of the Contract because the remaining duly discharged part has a separate economic significance for it. The Contract is terminated by the delivery of the notice to terminate the Contract to the other contracting party, with the exception of those provisions and the provisions of these GTC, which by their nature are to last even after the termination of the Contract. Within fifteen (15) days from the date on which the notice to terminate the Contract was delivered, the contracting parties shall settle their mutual obligations in effect before then.
- 20.3 If insolvency proceedings are initiated against the Supplier, the Company is entitled to terminate the Contract without further notice.
- 20.4 If the Company terminates the Contract due to the commencement of insolvency proceedings against the Supplier, or for other reasons on the part of the Supplier, while the Work is in progress, the Supplier is obliged to allow the Company to inspect the unfinished Work. Following the inspection made, the Company is entitled
- to take over the unfinished Work from the Supplier, or - reject the Work.
- 20.5 The acceptance of the unfinished Work obligates both contracting parties to confirm it to each other by signing the handover protocol. The Supplier is obliged to hand over to the Company the technical/operational/quality documentation for the unfinished Work at the latest when signing

the protocol and to such an extent that allows the Company to complete it properly without the Supplier's participation and to use it for the purposes for which it is intended, i.e. for the usual purposes. By taking over the unfinished Work, the contractual price for the Work shall be reduced by an amount determined by the sum of the

- prices of the tangible supplies which were not part of the Work on the date of the termination of the Contract, and the
- prices of the works meant to complete the Work which were not undertaken by the Supplier,

determined according to the itemized budgets, with reference to which the price of the Work had been agreed.

- 20.6 From the moment the termination of the Contract goes into effect, the Supplier is obliged to cease further work on the Work/fulfillment of its obligations under the warranty, except for the implementation of urgent measures to keep the Goods/Work in a safe and stable condition, i.e. prevent its damage or other deterioration. At the request of the Company, the Supplier is obliged to make available all contracts concluded with subcontractors that have not been fulfilled at that time (including contracts with an ongoing warranty for performance by the subcontractor), and if the Company expresses an interest, the Supplier is obliged to immediately transfer its rights and obligations from these contracts to the Company, with effect for that which has not yet been fulfilled.
- 20.7 If the Company refuses to accept the unfinished Work, it has the right to demand a refund of the paid portion of the price, including interest at the rate of 0.05% per day for the period from the date of debiting the price to the Company's account until the day (inclusive) the refund arrives in the same account; and also to demand that the Supplier dismantle the unfinished Work at its own expense and remove it and vacate the construction site; if it is clear from the negotiations with the Supplier that it will not honor these obligations or it has no intention to do so, the Company is then entitled to do so on behalf of the Supplier. In this case, the Supplier is not entitled to the payment of the price of the Work or any part of it, nor the right to reimbursement of any costs incurred in connection with the performance of the Work or in connection with activities performed as a result of withdrawal from the Contract. On the other hand, the Supplier is obliged to reimburse the Company for all costs incurred as a result of its cooperation in the performance of the Work .
- 20.8 That part of the rejected unfinished Work, whose acceptance by the Supplier in the meaning of Article 20.7 of these GTC will not be requested by the Client or whose handover to the Supplier will not be possible without impairing its basic structure, remains the property of the Company. In this case, the Supplier has the right to be paid the monetary amount the Company has collected at the expense of the Supplier by its performance of the canceled Contract.
- 20.9 If the Company terminates the Contract after the delivery of the Goods/acceptance of the Work, the Supplier shall be entitled to the agreed price reduced by 10%, whereby the contracting parties shall consider this amount to be the amount corresponding to the price of the quality guarantee. The contracting parties shall confirm the condition of the Goods/Work at the time of the termination of the Contract. If at the time of the termination of the Contract a repair job of the Goods/Work undertaken by the Supplier due to its liability for defects is still in an unfinished state, the Supplier is obliged to accurately describe the actions performed within the unfinished repair job in the protocol and hand over all technical/operational/quality documentation concerning the unfinished repair job to the Company so that the Company is able to complete the repair of

the Goods/Work without the participation of the Supplier and bring the Goods/Work into a fully functional condition in terms of the purpose for which it is intended.

PART E – FINAL COMMON PROVISIONS

21. CHOICE OF LAW, OTHER PROVISIONS

- 21.1 The legal relations between the Company and the Supplier shall be governed by the laws of the Czech Republic, excluding the conflict of law provisions of private international law and the provisions of the United Nations Convention on Contracts for the International Sale of Goods and the Convention on the Limitation Period in the International Sale of Goods. The Supplier and the Company shall submit to the exclusive jurisdiction of the Czech courts, whereby the locally competent court shall be, pursuant to the agreement of the parties, the court with jurisdiction over the matter in whose district the Company has its registered office. The Supplier shall assume the risk of a change in circumstances within the meaning of Section 1765(2) of the Civil Code. In accordance with Section 558(2) of the Civil Code, the application of commercial practices is expressly excluded.
- 21.2 The failure of either contracting party to apply any term, condition or claim against the other party shall not be construed as a waiver of any right under the Contract or the GTC.
- 21.3 Where reference is made in the Contract to a particular annex thereto, that annex shall be deemed to form an integral part of the Contract. In the event that the content of the annex is in conflict with the content of the Contract, the Contract shall prevail. Should any provision of the Contract or the GTC be found to be partially or completely invalid, doubtful, ineffective or unenforceable, this does not affect the validity, effectiveness and enforceability of the remaining provisions or the Contract or the GTC. In such a case, the contracting parties agree to replace the invalid, doubtful, ineffective or unenforceable provision without undue delay with a new one that most closely approximates the purpose of such provision.