

1 INTRODUCTORY PROVISIONS

- 1.1 These General Terms and Conditions of Business ("**General Terms and Conditions**" or "**GTC**") shall, in accordance with the provisions of Section 1751(1) of Act No. 89/2012 Coll., the Civil Code, as amended (the "**Civil Code**"), apply to the conclusion of any Contract between the Seller and the Buyer (as such terms are defined below) and shall form an integral part of any such Contract, unless the parties expressly agree otherwise in the Contract. These General Terms and Conditions shall apply, *inter alia*, to any (in particular price) offers made by the Seller and to any Contracts concluded on the basis of such offers and to any relationships arising therefrom.
- 1.2 If the Contract contains a different provision than these General Terms and Conditions, such Contract shall prevail.
- 1.3 Where these GTCs refer to a written form and unless otherwise specified herein, the e-mail form shall always be sufficient to maintain the written form.

2 DEFINITIONS

- 2.1 The following definitions are used in these General Terms and Conditions:
 - a) "**Contract**" means an individual or framework purchase contract for the supply of goods or services, including all annexes and further amendments, concluded between the Seller as the seller or supplier of goods or services and the Buyer as the purchaser of goods or services;
 - b) „**Buyer**” means the company: FOREZ, with registered office at Ostrov 2, ZIP code 561 22 Ostrov u Lanškroun, ID number: 64788342, registered in the OR led by the Regional Court in Hradec Králové, section C, insert 9467
 - c) „**Seller**” means any natural or legal person who enters or has entered into a Contract with the Company;
 - d) „**Offer**” means a written proposal by the Seller aimed at concluding the Contract;
 - e) „**Order**” means the Buyer's written order to the Seller made pursuant to the Framework Purchase Agreement entered into pursuant to paragraph (a) of this Article;
 - f) "**Subject of Purchase**" means the subject of purchase or delivery specified in the Contract;
 - g) „**Price**” means the purchase price for the Subject of Purchase as agreed in the Contract;
 - h) „**Parties**” means jointly the Seller and the Buyer;
- 2.2 These General Terms and Conditions govern the rights and obligations of the Parties notwithstanding any other general terms and conditions to which the Seller refers.

3 CONCLUSION OF THE INDIVIDUAL PURCHASE AGREEMENT

- 3.1 If the Buyer makes an Order, the Seller may, in writing within three (3) business days of receipt, (a) accept the Order; (b) propose an adjustment to the Order parameters; or (c) reject the Order. If the Seller does not do anything within the time period referred to in the preceding sentence, the Seller shall be deemed to have accepted the Order in its entirety without reservation. If the Seller proposes a modification of the parameters of the Order within the aforementioned period, it shall be deemed to be a new Offer. If the Buyer does not issue a corresponding written Order for the subject matter of the Offer following the Seller's Offer, the Offer shall be deemed to have been rejected.
- 3.2 The Buyer shall be entitled to withdraw from the individual purchase agreement even before the Seller has duly delivered the performance, at least 5 days before the date of delivery of the performance by the Seller.

4 PRICE AND PAYMENT TERMS

- 4.1 The Price is set forth in each Contract. Unless otherwise expressly stated in the Contract, the Price is fixed and not subject to any adjustment.
- 4.2 If the Price is determined in EUR or USD, it shall be converted into CZK at the daily CNB mid-rate valid for the preceding business day. In other cases, the Buyer determines the conversion rate between currencies.
- 4.3 The Price includes all taxes (excluding VAT), allowances and expenses of any kind relating to the Subject of Purchase, its parts, accessories and delivery. In the case of cross-border payments, all payments by the Buyer will be made with BEN payment instructions.
- 4.4 The Buyer shall be entitled to set off against the Price any monetary claim against the Seller.
- 4.5 The Price will be paid by the Buyer on the basis of a tax document – invoice issued by the Seller, with a due date of at least ninety (90) days from the date of its delivery to the Buyer, by wire transfer to the Seller's account specified on the invoice. The Seller shall be entitled to issue the invoice only after the proper and complete delivery of all performance supplied under the individual purchase agreement.

- 4.6 Payment of the Price and/or any part thereof shall be understood as an order to send the relevant amount to the Seller's bank account.
- 4.7 In the event that at the time of the taxable performance the Seller is entered in the register of taxpayers as an unreliable taxpayer, or other conditions of the provisions of § 109 of Act No. 235/2004 Coll., on Value Added Tax, as amended ("VAT Act") are fulfilled, the Buyer shall have the right to pay VAT on behalf of the Seller on this taxable performance in accordance with the procedure under § 109a of the VAT Act, without being called upon by the tax administrator as a guarantor. If the Buyer pays the amount of VAT to the account of the tax administrator of the Seller and the remaining amount of the agreed Price to the Seller, the Buyer's obligation to pay the agreed Price shall be deemed fulfilled. The Date of payment shall be the date on which the last relevant amount is debited from the Buyer's account. If the Buyer is called upon by the tax authorities to pay the unpaid tax as a guarantor at that time, the VAT shall be paid directly to the relevant tax authorities and the Seller shall be paid the remaining part of the Price net of tax. If there is an indication that any other conditions of the taxpayer's liability for unpaid tax under Section 109 of the VAT Act are fulfilled, the Buyer shall be entitled to proceed in accordance with the relevant provisions of the VAT Act and to pay the VAT on the consideration received directly to the relevant account of the tax administrator, without having been previously requested to do so by the tax administrator.

5 DELIVERY CONDITIONS, RISK OF DAMAGE TO THE SUBJECT OF PURCHASE

- 5.1 The Seller shall deliver the Subject of Purchase to the Buyer within the period agreed in the Contract or in the Order, in any case on working days from 08:00 to 16:00 unless otherwise agreed.
- 5.2 The Seller shall deliver to the Buyer the Subject of Purchase with all parts and accessories, including all legible prescribed or standardised documentation, in particular (with regard to the subject of performance) inspection reports (for equipment prescribed by the standard), data sheets, instructions for installation and commissioning of the equipment, use (including the definition of the environment for use), for operation and maintenance and disposal, safety and operating regulations for the equipment delivered, for products covered by Act No. 22/1997 Coll, on technical requirements for products, as amended, and related government decrees, as amended, declaration of conformity of the product with the technical regulations with the appropriate particulars or certificate of the issued declaration of conformity of the product with the technical regulations in accordance with Act No. 22/1997 Coll., safety data sheets and fire technical characteristics, certificate of soil water of the goods.
- 5.3 The place of delivery of the Subject of Purchase is the place agreed in the Contract or in the Order. If there is no such place, the Subject of Purchase shall be delivered to the Buyer's registered office.
- 5.4 The Subject of Purchase delivered under the Contract must be packed in accordance with the Buyer's instructions and, if the Buyer does not give any instructions to the Seller, in packaging appropriate to the nature and method of storage of the Subject of Purchase and at the same time enabling handling of the Subject of Purchase.
- 5.5 Upon delivery of the Subject of Purchase, a delivery note shall be signed by both Parties. One copy of the delivery note shall be retained by the Seller and one copy shall be handed over to the Buyer.
- 5.6 The risk of damage to the Subject of Purchase and other conditions of delivery of the Subject of Purchase shall be governed by the DAP INCOTERMS clause (as amended from time to time).
- 5.7 The right of ownership to the goods shall pass to the Buyer upon delivery of the goods to the Buyer.
- 5.8 In the event of the Seller's default in timely and/or proper delivery of the performance to the Buyer, the Buyer shall be entitled to a contractual penalty payment against the Seller in the amount of 0.5 % of the Price of the performance, the proper delivery of which the Seller is in default, for each day of the default. This is without prejudice to the Buyer's right to compensation for damages resulting from the breach of the obligation covered by the contractual penalty.

6 INFORMATION OBLIGATION

- 6.1 The Seller declares that it is an expert in the field defined in the Contract and has the obligation to provide the Buyer with all information, suggestions and recommendations regarding the Subject of Purchase. This obligation includes the obligation to consider the latest scientific and technical knowledge in the field known at the time of conclusion of the Contract or foreseeable at that time.
- 6.2 The Seller further declares that it has thoroughly familiarised itself with the Buyer's requirements and the purpose for which the Subject of Purchase will be used. In this connection, the Seller shall promptly notify the Buyer of any event or circumstance which may affect or in any way compromise the purpose of the Contract.
- 6.3 The Seller undertakes to transfer to its potential subcontractors all relevant obligations arising from the GTC and the Contract, in particular it is obliged to verify the professional competence, credibility and solvency of the subcontractors, their employees, agents and representatives.
- 6.4 The Buyer shall inform the Seller of the information necessary for the performance of the Contract and, at its discretion, also of the purpose for which the Subject of Purchase will be used.

- 6.5 All documentation provided by the Buyer to the Seller is for information purposes only. The Buyer shall prepare such documentation with due care, but shall not be liable for any errors, omissions or incomplete or inaccurate information which such documentation may contain.
- 6.6 The Seller as an expert shall check all information contained in this documentation, such as weight, dimensions, material, plans, drawings, technical conditions, legal requirements, etc. The Seller shall inform the Buyer without undue delay of any inaccuracy, defect, error or omission found in the documentation and shall suggest suitable adjustments for the purpose.

7 LIABILITY FOR DEFECTS

- 7.1 The Seller warrants that the performance delivered by it shall at all times comply with all legal and recommended technical requirements and technical and safety standards.
- 7.2 The Buyer is entitled to point out to the Seller the defects of the Subject of Purchase at any time during the duration of his rights, regardless of whether the defect is obvious or not.
- 7.3 If the Seller's performance is defective, the Buyer shall have rights under such defective performance, even if the defect becomes obvious after the acceptance of the Subject of Purchase. Claims for defective performance shall not affect claims for damages or injury or claims for contractual penalties.
- 7.4 The Parties agree that delivery of the Subject of Purchase with any defect, whether legal or factual, constitutes a material breach of the Contract or the Order. In such event, the Buyer shall be entitled to, at its option:
- demand the removal of the defect by delivery of a new item or part thereof;
 - demand the removal of the defect by repairing the defective item or part thereof, or, after the expiry of a reasonable period of time for repair, to repair the defect itself or through a third party at the Seller's expense;
 - to demand a reasonable discount on the Price. In such case, the Seller shall issue the Buyer a corrective tax document for an appropriate discount from the Price corresponding to the claimed defect;
 - demand the correction of legal defects; or
 - withdraw from the Contract or Order.
- 7.5 In the case of the procedure under Article 7.4(b) of the GTC, the Seller shall remove the defect without undue delay, no later than
- 3 working days in the case of a critical defect that fundamentally prevents the use of the Subject of Purchase;
 - 15 working days in the case of a minor defect; or
 - 30 working days in the case of other defects not affecting the functionality and use of the Subject of Purchase.
- 7.6 In the event of defective performance, the Buyer shall be entitled to, including immediately:
- withhold payment of the Price charged for the defective performance until the claim has been fully resolved;
 - to suspend collection of the defective performance and other performance (including suspension of payment of the relevant Prices) until the defects in such performance have been resolved;
 - at the Seller's expense, arrange for the inspection of the defective and other performance; and/or
 - at the Seller's expense, arrange for the disposal of the defective or other performance no longer required as a result of the exercise of the rights under the defects which the Seller has not resolved at the Buyer's request within the period specified by the Buyer.
- 7.7 In the event of delivery of defective performance, the Buyer is entitled to inspect the Seller and, according to its result, to impose corrective measures on the Seller in order to eliminate any future defects of the Subject of Purchase. This corresponds to the obligation of the Seller to allow the Buyer to carry out this inspection and to take the appropriate corrective measures. The costs of such corrective measures shall be borne by the Seller.
- 7.8 The provisions of Section 1921 of the Civil Code shall be excluded.

8 WARRANTY

- 8.1 If a warranty is agreed in the Contract, the procedure for claiming defects shall apply *mutatis mutandis*.
- 8.2 Unless otherwise agreed in the Contract, the Seller warrants the Subject of Purchase for 2 years.
- 8.3 If the Subject of Purchase is to be incorporated into the Buyer's product, the Seller shall provide a warranty of 2 years from delivery to the end customer, but not more than 4 years from delivery of the Subject of Purchase to the Buyer.

9 INTELLECTUAL PROPERTY RIGHTS

- 9.1 If the Seller provides or uses any intellectual or industrial property rights for the purposes of the performance of the Contract (which shall include delivery under the Subject of Purchase) or the Purchase Order, the Seller shall be liable to the Buyer that such intellectual property rights do not in any way interfere with the rights of third parties.
- 9.2 Each Party shall be and remain the owner of the Intellectual and Industrial Property Rights acquired prior to the conclusion of the Contract or the Purchase Order.
- 9.3 In the event that any subject matter of intellectual property rights arises in the performance of the Contract or Order, the Seller grants the Buyer the right to exercise the right to use the Copyright Works, as defined in the Copyright Act, in original and amended form, in accordance with Section 2358 et seq. Civil Code, the right to mine and exploit databases within the meaning of Section 88 of the Copyright Act and the corresponding right to use any other intellectual property rights (in particular know-how) created for the Buyer in connection with the performance of the Contract or Order ("**License**").
- 9.4 The license is granted to the following extent:
- for the duration of the copyright ownership;
 - territorially for the whole world;
 - for any manner of use;
 - in unlimited quantities; and
 - non-exclusively.
- 9.5 The License includes a non-exclusive right of the Buyer to perform the following acts in relation to the copyright work, database or other subject of intellectual property right: publication, modification including elaboration, processing including translation (for example into another programming language), completion, combination with another work, inclusion in a collective work, or public performance under the name of the Buyer. The Seller shall secure any necessary consent of third parties to the foregoing and to the assignment of such authority to third parties in the context of an assignment of the License or grant of a sublicense.
- 9.6 The Buyer shall not be obliged to use the Licence.
- 9.7 The Buyer shall be entitled to sublicense and/or assign the License to any third party within the scope of the License without restriction, free of charge and without further consent of the Buyer.
- 9.8 In the event that the delivery of the Subject of Purchase under the Contract or the Order requires the use of a copyright work to which the Seller is not entitled to exercise property rights, the Seller undertakes to obtain authorization to exercise such property rights from authorized third parties, including the right to grant a sublicense and assign the license to such copyright works. In such case, the Seller shall grant a sublicense to the Buyer in respect of such third party copyright works to the same extent and under the same terms and conditions as the Seller has (sub)licensed from the third party ("**Third Party License**").
- 9.9 The Parties agree that, unless otherwise specified in a particular case or otherwise follows from the Contract or the Order, the remuneration for the granting of the Licence and the Third Party Licence is included in the Price from an economic point of view and by agreement of the Parties and therefore the Licenses and the Third Party Licenses as such are gratuitous.
- 9.10 Any drawings, calculations, models, molds, dies, samples, templates, or other technical data or trade secrets provided by the Buyer to the Seller shall (i) be used by the Seller solely for the purposes of the performance of the Contract, (ii) not be made available to third parties and (iii) be deleted (including all copies) at any time at the request of the Customer and shall issue the Customer with a written confirmation to that effect.

10 CODE OF ETHICS AND COMPLIANCE WITH OTHER STANDARDS

- 10.1 The Seller agrees to comply with other mutually signed documents such as: QUALITY ASSURANCE AGREEMENT, or the Supplier's Code of Ethics issued by the Buyer (SUPPLIER'S CODE), the contents of which he has read before signing this Agreement and which is attached to these GTC.
- 10.2 The Seller further represents that it has implemented and maintains management systems in accordance with ISO 9 001 standards.
- 10.3 In the area of environmental protection, the Seller undertakes to comply with all legal provisions relating to environmental protection. To this end, the Buyer expects that the Supplier has in place and operates a certified environmental management system according to ISO 14001 or is working towards implementing such a system. The use of materials containing a substance on the REACH list according to RoHS (banned substances, polybrominated biphenyls, polybrominated diphenyls, phthalates DEHP, DBP, BBP, DIBP) is prohibited.
- 10.4 The Buyer welcomes and supports the implementation of other relevant systems by the Seller, for example:

- a) SA 8000 - social responsibility,
- b) ISO 45 001 - MS BOZP,
- c) ISO 50 001 - ENMS – REQUIREMENTS FOR ENERGY MANAGEMENT SYSTEMS,
- d) it also expects to implement security measures in accordance with the current "Cyber Law No. 226/2022 Coll." in the form of ISO 27 001 certification (information security management system) and in the future in accordance with the European Directive "NIS 2".
- e) [•].

(„MANAGEMENT SYSTEMS“)

- 10.5 The Seller agrees to actively seek to maintain such Management Systems certifications and to provide periodic confirmation to the Buyer that they are up-to-date, and likewise agrees to conduct supplier audits by the Buyer.
- 10.6 The Seller requires compliance with the legislative requirements called ESG (Environment/Social/Governance) as generally accepted within the EU (where required by legislation). It further expects the cooperation necessary for the successful fulfilment of these requirements by the Buyer.
- 10.7 The Buyer shall be entitled to issue and keep up-to-date a corresponding directive in this connection, which shall specify the ESG requirements and which the Seller undertakes to comply with from the time it is made available to the Seller; this shall be without prejudice to the Seller's general obligation under the first sentence.

11 WITHDRAWAL FROM THE CONTRACT

11.1 The Buyer has the right to withdraw from the Contract if:

- a) The Seller is in default in delivery of the Subject of Purchase for more than five (5) days;
- b) The Seller becomes bankrupt or insolvency proceedings are commenced against the Seller within the meaning of Act No. 182/2006 Coll., the Insolvency Act ("**Insolvency Act**"); this does not apply in the event that the insolvency petition is rejected by the relevant insolvency court for manifest lack of merit within the meaning of Section 128a of the Insolvency Act;
- c) The Seller shall file a petition to initiate restructuring proceedings pursuant to Act No. 284/2023 Coll., on Preventive Restructuring;
- d) The Seller goes into liquidation; or
- e) The Seller otherwise materially breaches any agreement with the Buyer.

11.2 The Seller shall have the right to withdraw from the Contract if:

- a) The Buyer is finally adjudicated insolvent under the Insolvency Act; or
- b) The Buyer goes into liquidation.

11.3 Withdrawal is effective upon delivery of written notice of withdrawal to the other Party.

11.4 In the event of early termination of the Contract (i.e. only partial/partial delivery of the Subject of Purchase pursuant to the Contract), the Buyer shall be entitled at its option (i) to retain the part of the Subject of Purchase already received against payment of the corresponding part of the Price, or (ii) to return the part of the Subject of Purchase already received to the Seller at the Seller's expense and to claim a refund of (part of) the Price, if paid.

12 ASSIGNMENT OF THE CONTRACT AND SET-OFF

12.1 The Seller is not entitled to assign the Contract, as well as any partial claims or claims arising from the Contract, to any third party without the prior written consent of the Buyer.

12.2 The Seller is not entitled to unilaterally set off any of its claims against the Buyer's claims.

13 OTHER PROVISIONS

13.1 The Seller shall, no later than the date of signing the Contract, take out liability insurance for damage caused by defective Subject of Purchase as well as for damage caused by operational activities, in an amount appropriate taking into account the nature and value of any Contract.

13.2 The Contract and the General Terms and Conditions shall be governed by the laws of the Czech Republic, in particular the relevant provisions of the Civil Code.

- 13.3 The Seller confirms that neither the Subject of Purchase nor the Seller nor any of its subsidiaries, parents or otherwise related companies, including any of their executive directors or members of their boards of directors, statutory or other bodies or employees, are subject to any economic sanctions imposed by any international or national organization or state. The Seller agrees not to use, in any way, any product, component or raw material of any kind originating from countries which have been subject to such economic sanctions or which would themselves be subject to such sanctions.
- 13.4 The Seller shall comply with and ensure that its executive directors or members of its boards of directors, statutory or other bodies or employees and any related persons and their bodies and employees comply with all applicable laws, including those relating to corruption, money laundering, bribery, tax evasion, economic sanctions, chemical licensing and restriction, health and safety and not to engage in illegal activities.
- 13.5 The Seller agrees to strictly comply with all competition laws in the countries where it operates and to deal fairly, openly and honestly with all business partners.
- 13.6 The Seller undertakes to fully comply with all applicable anti-corruption laws, including those in force in the place of the Seller's registered office and in the place where the Contract will be performed. The Seller declares that by signing the Contract or actually commencing performance: (i) it is aware of the anti-corruption laws (i.e. all anti-corruption laws, including but not limited to the U.S. Foreign Corrupt Practices Act and the U.K. Anti-Corruption Act, as amended) and will comply with all such laws and act ethically so that (ii) neither it nor any related party will pay, offer or facilitate the payment, promise of a gift or other benefit or inducement to any official or private person.
- 13.7 The Parties shall attempt to resolve amicably and in good faith any disputes that may arise in connection with this Contract. If the Parties fail to resolve any dispute arising out of or in connection with the Contract within thirty (30) days, such dispute shall be finally resolved by the competent courts of the Czech Republic. The Parties expressly agree to the local jurisdiction of the court of the Buyer's registered office.
- 13.8 If any provision of the Contract or these General Terms and Conditions is found by a court of competent jurisdiction or other authority to be putative, invalid or unenforceable, such provision shall be deemed to be deleted from the Contract or these General Terms and Conditions and the other provisions of the Contract or these General Terms and Conditions shall continue to survive if it can be assumed that the Parties would have entered into this Contract without such provision had they recognized the illusory, invalid or unenforceable provision in a timely manner (severability). In such a case, the Parties shall without undue delay enter into such amendments to the Contract as will achieve a result equivalent to, and if that is not possible, as close as possible to, that which should have been achieved by the apparent invalid or unenforceable provision.
- 13.9 The Buyer may at any time unilaterally modify or supplement the General Terms and Conditions with effect to any Contracts concluded after the issuance of such modified or supplemented General Terms and Conditions. This provision shall not affect the rights and obligations arising during the period of validity of the previous version of the General Terms and Conditions.
- 13.10 These General Terms and Conditions shall come into force on 14.11.2024