

DOORNITE s. r. o.,

Hruškové Dvory No. 82, 586 01, Jihlava, ID No.: 097 76 940, registered in the Commercial Register at the Municipal Court in Prague, Section C, File 342411

PURCHASE BUSINESS TERMS AND CONDITIONS

SECTION I

PREAMBLE

These Business Terms and Conditions shall apply to the conclusion of all contracts between the Customer and the Supplier and shall form an integral part of each contract unless the Parties expressly agree otherwise. Unless expressly agreed otherwise, these Business Terms and Conditions shall particularly apply to all Orders placed by the Customer and to all relations established by those Orders. Where the provisions of contract differ from those of these Business Terms and Conditions, the provisions of the contract shall prevail over those of these Business Terms and Conditions in conflict with them.

SECTION II DEFINITION OF TERMS

2.1 The following terms shall have the following meaning in these Business Terms and Conditions:

- (a) **"Price"** – the Supplier's remuneration under the Subcontract;
- (b) **"Pricelist"** – a current pricelist of products offered by the Supplier to the Customer for purchase, forming an integral part of the General Contract as its annex or otherwise provided to the Customer by the Supplier and expressly accepted by the Customer;
- (c) **"Supplier"** – any entity, other than the Consumer, with whom the Customer has entered into a Subcontract under the Order;
- (d) **"Invoice"** – a tax document issued in accordance with Act No. 235/2004 Coll., on Value Added Tax, as amended;
- (e) **"Subcontract"** – manifestation of the Parties' will according to which the Supplier is obliged to deliver the Goods to the Customer and transfer the title to the Goods to the Customer, and the Customer is obliged to take delivery of the Goods and pay the Price to the Supplier;
- (f) **"Civil Code"** – Act No. 89/2012 Coll., the Civil Code, as amended;
- (g) **"Business Terms and Conditions"** – these Business Terms and Conditions as provided to and approved by the Supplier according to Section 11.5; where a General Contract has been concluded, they are referred to in the General Contract as its integral part;
- (h) **"Customer"** – Doornite s. r. o., Hruškové Dvory No. 82, 586 01, Jihlava, ID No.: 097 88 959, registered in the Commercial Register at the Municipal Court in Prague, Section C, File 342411
- (i) **"Order"** – Customer's written proposal aimed at conclusion of a Subcontract specifying as the minimum the data set forth in Section 3.1, and made on the basis of a General Contract, if any;
- (j) **"General Contract"** – General Purchase Agreement, entered into by and between the Customer and the Supplier and laying down the conditions valid between the Parties and applicable to all future deliveries of the Goods to the Customer by the Supplier;
- (k) **"Contract"** – the Framework Contract and/or the Subcontract as the context may require;
- (l) **"Parties"** – the Customer and the Supplier according to a Contract, Subcontract and/or these Business Terms and Conditions;
- (m) **"Goods"** – particularly movables specified by the General Contract or, on the basis of an Order, by the Subcontract, either individually or in terms of their quantity, quality and type, or otherwise approved by the Parties on the basis of a sample or other indisputable agreement between the Parties regarding specification of the Goods (including, e.g., mutual e-mail communication);
- (n) **"VAT Act"** – Act No. 235/2004 Coll., on Value Added Tax, as amended; and
- (o) **"Labour Code"** – Act No. 262/2006 Coll., the Labour Code, as amended

SECTION III ORDER AND CONCLUSION OF THE SUBCONTRACT

- 3.1 Deliveries of Goods between the Supplier and the Customer shall take place on the basis of Subcontracts which are concluded according to Customer's Orders and in accordance with the General Contract, if any. The Customer's order is considered binding if it is made in writing and signed by an authorised person (also electronically, in the form of an e-mail, or in another unquestionable way, and is signed with a simple electronic signature), and contains in particular the following data, on which the Parties must reach full agreement as a prerequisite for the conclusion of the Subcontract:
 - (a) Order number;
 - (b) identification of the Customer, Supplier (name, registered office, Company ID No., Tax ID No.) and the General Contract, if any;
 - (c) specification of the type and quantity of Goods;
 - (d) date, place and manner of delivery of the Goods;
 - (e) date of order.
- 3.2 The Customer is entitled to send Orders to the Supplier by *electronic data interchange* (EDI), fax or electronic mail to the address or fax number agreed by the Parties, or by any other undoubted means.
- 3.3 An Order shall mean a proposal for the conclusion of a Subcontract and no later than within five (5) business days from delivery of the Order, the Supplier commits to do the following in writing (including the means according to Section 3.1):
 - (a) send the Customer its acceptance of the Order, which must include precise specification of all source documents and requirements for all source documents, if any, which the Supplier needs from the Customer or a third party in order to deliver the Goods; or
 - (b) send the Customer its refusal of the Order, including specification of the reasons of such a refusal; the Supplier shall only be entitled to refuse an Order due to force majeure or for especially serious operational reasons on the part of the Supplier.
- 3.4 The Supplier hereby expressly represents and undertakes that should it fail to notify the Customer by the deadline specified in the foregoing Section 3.3 of its refusal of the Order, it shall be considered its implied manifestation of its will to fully accept the Order resulting in conclusion of the Subcontract.
- 3.5 The Customer shall be entitled to fully or partially withdraw its Order provided that its withdrawal of the Order is delivered to the Supplier within two (2) days from the day on which the Customer sent the Order to the Supplier. Once the Subcontract has been concluded, the Customer shall be entitled to withdraw from the Subcontract for serious reasons with regard to the Goods related, fully or partially, to the Supplier's obligation, no later than within forty-eight (48) hours before the agreed time of delivery of the Goods.
- 3.6 On the basis of a duly concluded Subcontract, the Supplier is obliged to deliver the Goods specified in the Purchase Order and to allow the Customer to acquire ownership of the Goods. The Customer shall accept the duly delivered Goods in the way specified hereunder or in the General Contract and pay the Price to the Supplier.

SECTION IV PRICE AND PAYMENT TERMS

- 4.1 Unless specified otherwise in the General Contract or in the Order, the Price for the Goods delivered under Subcontract shall always be determined by the price calculation provided to the Customer by the Supplier before the Customer places its Order, and where no price calculation is available, by the (Supplier's) Pricelist. Where no Pricelist is available, the Price shall be determined by mutual agreement between the Parties, particularly an agreement based on mutual communication between the Parties before the Customer sent its Order. The Price shall always be specified in Czech crowns or euros with conversion to Czech crowns according to the foreign exchange market rate as published by the Czech National Bank and valid as of the date when the Order is sent by the Customer. The Price is always set as the highest possible and not to be exceeded and includes all costs related to the delivery of the Goods, in particular the costs of assembly, transport of the Goods, reloading to the place of delivery, insurance and packaging.
- 4.2 The Supplier shall inform the Customer by registered mail about any planned change of prices specified in the Pricelist at least ninety (90) days in advance. Prices may only be changed on the basis of the Customer's written approval of the new prices. New and higher prices may be in force no earlier than thirty (30) days after the acceptance of those new prices by the Customer.

- 4.3 The Price shall be paid on the basis of an Invoice, which the Supplier is entitled to issue at the earliest on the date of delivery of the Goods, i.e., on the date of confirmation of the delivery note and/or handover report by the Customer, whichever is later. Each Invoice must contain all information in accordance with Section 29 of the VAT Act and other generally binding legal regulations and the Order number.
- 4.4 The following documents must be enclosed to each Invoice as a necessary part thereof:
 - (a) copy of the Order;
 - (b) copy of the approved price calculation or other agreement between the Parties, if any, determining the Price;
 - (c) copy of the delivery note, and/or handover certificate confirmed by the Customer, in all cases containing the number of the respective Order; and
 - (d) declaration of conformity regarding packaging.
- 4.5 The Invoice due date is sixty (60) days from the date of proper delivery of the relevant Invoice to the Customer, unless there is a prior agreement between the Parties on a different period. If the Customer pays the Price within thirty (30) days of receipt of the Invoice, the Supplier undertakes to provide the Customer with a discount of 3% on the Price. The Customer is entitled to unilaterally reduce the Price by the above-mentioned discount. The Customer's debt shall be settled once the respective amount is debited from the Customer's account.
- 4.6 From the receipt of the Invoice until its due date, the Customer shall be entitled to evaluate whether it was issued correctly and meets all requirements for a tax document within the meaning of legal regulations of the Czech Republic, and it shall be entitled to return it, even repeatedly, if the Invoice was not issued correctly and/or fails to meet all requirements for a tax document within the meaning of the applicable legal regulations of the Czech Republic and/or documents required under Section 4.4 are not enclosed to it and/or it does not specify the data required under Section 4.3 and/or it contains data that is in conflict with the price calculation or other agreement between the Parties on Price determination. Where the Invoice is returned, its due period and period for evaluation of its correctness shall be suspended and a new one shall start upon delivery of a corrected Invoice.
- 4.7 Where in the course of the obligation relationship established by a Contract the Supplier gains the status of an unreliable payer by a decision of the tax administrator pursuant to the provisions of Section 106a of the VAT Act, the Customer shall have an option to pay the value added tax from the delivery provided, pursuant to Section 109a of the same Act, directly to the tax administrator instead of the Supplier and to subsequently pay the Price to the Supplier reduced by the tax paid. The Supplier shall specify in the Invoice the account published by the tax administrator in a manner allowing remote access. Where the Invoice issued by the Supplier specifies an account other than the one mentioned in the foregoing sentence, the Customer shall be entitled to act in accordance with Section 4.6.
- 4.8 The Customer is entitled to unilaterally set off its claims against the Supplier and the Supplier agrees to such set-off. The Supplier shall not be entitled to unilaterally set off its claims against the Customer.
- 4.9 Unless expressly agreed otherwise, the Supplier shall not be entitled to assign, fully or partially, any of its claims under this Contract to any third party without the Customer's prior written approval.
- 4.10 The Supplier is not entitled to use any of its receivables payable by the Customer or ensuing from this Contract as a lien, pledge or collateral.
- 4.11 The Supplier agrees that the Customer and its legal successors may assign their claims or rights and obligations ensuing from the General Contract or any Subcontract any time without Supplier's prior approval to any party that is entitled to accept such an assignment and able to fully and adequately assume the Customer's rights and fulfil all of the Customer's obligations ensuing from the respective contract. At the Customer's request, the Supplier shall make any and all legal acts as may be necessary to carry out such an assignment.

SECTION V SHIPPING TERMS

- 5.1 The registered address of the Goods shall be the registered office of the Customer. The Supplier shall deliver the Goods to the Customer by the deadline and pursuant to the schedule agreed in the Subcontract.
- 5.2 Unless the General Contract or a Subcontract determine otherwise, the Customer is not interested in any partial Performance and hence, it shall not be obliged to accept any partial Performance from the Supplier. The Customer is not obliged, unless otherwise specified in the Contract, to accept any performance from a third party.
- 5.3 Delivery of the Goods shall include packaging of the Goods and their transport to the place of destination. The Customer shall be entitled to determine the form of the Goods packaging. Nevertheless, the Supplier shall notify the Customer of any unsuitability of the selected form of packaging of the Goods, failing which it shall be liable for damage caused due to choosing unsuitable packaging. Delivery of the Goods in packaging other than designated by the Customer shall be considered a defect of the Goods.
- 5.4 The Supplier shall deliver the Goods to the Customer in the quality, quantity and version specified in the Subcontract and in accordance with legal regulations applicable to the performance and the Customer's requirements, at the time and to the place specified in the Subcontract, along with any and all necessary documents which are required for acceptance and use of the delivered Goods (safety documents, technical documents, maintenance instructions) or which are standard in the given case with regard to the nature of the delivered Goods (e.g. serial/batch number of the Goods), particularly a packing note, shipping document, required type of certificate, etc. The Supplier is obliged to deliver the above required documents always in their current form and in the event of any changes to such documents within three (3) years after delivery of the Goods to the Customer, shall inform the Customer in writing of the changes to such documents.
- 5.5 The Supplier shall not be entitled to deviate from the quantity of the supplied Goods as specified in the Order unless the Customer expressly states a possible deviation in the Order. The deviation determined by the Customer shall only be applicable to cases where the quantity of the ordered Goods is exceeded. The Customer shall not be entitled to deliver a quantity of the Goods lower than as agreed in the Subcontract on the basis of an Order. The Customer shall not be obliged to purchase a higher quantity of the Goods than specified in the Order.
- 5.6 The Customer is obliged to accept the duly delivered Goods and to confirm the acceptance on the delivery note and/or handover report with the name and function of the accepting employee and the Customer's stamp. Confirmation of the delivery note and/or handover report by the Customer shall be a prerequisite for payment of the Price to the Supplier.
- 5.7 The risk of damage to the Goods shall pass to the Customer at the time of signing the delivery note and/or the handover report for the Goods, provided that if both the delivery note and the handover report are signed between the Parties, the risk of damage shall pass to the Customer at the time of signing the later of the two. As of that moment, the Supplier shall transfer the title to the Goods to the Customer.
- 5.8 In case of any breach of any of the Supplier's obligations where the Supplier is obliged to pay a contractual penalty to the Customer for the breach, payment of the contractual penalty shall be without prejudice to the Customer's right to compensation of any incurred damage according to the Civil Code, or according to SECTION VIII these Business Terms and Conditions.

SECTION VI RIGHTS AND OBLIGATIONS OF THE PARTIES, SUPPLIER'S REPRESENTATION

- 6.1 The Supplier shall deliver the Goods according to the Customer's instructions, in its own name, at its own risk and expense and making use of its own working means and tools (without prejudice to the Customer's right to provide the Supplier with source documents, materials and other means that the Supplier shall be obliged to use).
- 6.2 The Supplier shall ensure, at its own responsibility and expense, loading and unloading, distribution of all Goods and it shall be liable for any material damage caused to the Goods until the transfer of the risk of damage to the Customer.
- 6.3 By accepting the order, the Supplier declares that it has at its disposal sufficient professional, technical and human resources to ensure proper and timely performance of the respective Subcontract.
- 6.4 The Supplier shall effect a liability insurance covering its obligation to compensate possible loss caused to the Customer. At the Customer's request, the Supplier is obliged to submit the relevant insurance document.
- 6.5 When performing the Subcontract, the Supplier shall act impartially and objectively, with the knowledge and care expected from a supplier equipped with any and all required knowledge available and the latest relevant knowledge in the field related to the performance of the Subcontract, respect the Customer's interests, carry out the activity according to the Contract and according to the instructions of the Customer or a third party designated by the Customer, protect the Customer's goodwill and abide by all legal regulations applicable to the subject of performance of the Contract. The Supplier shall draw the Customer's attention to possible legal risks and conflicts of the Customer's instructions with legal regulations, of which it is aware or should be aware if professional care is exerted.

SECTION VII LIABILITY FOR DEFECTS AND QUALITY WARRANTY

- 7.1 Where the Supplier's performance is defective, the Customer shall obtain rights ensuing from liability for defects at the moment when the risk of damage to the Goods passes to the Customer even though the defect becomes apparent later. The Customer shall also have the rights ensuing from liability for defects if the defect occurs after the moment when the risk of damage to the Goods passes, as long as the defect is caused by a breach of the Supplier's obligations. Claims based on liability for defects in the Goods shall be without prejudice to the claim for compensation for damage or the claim for a contractual penalty.

- 7.2 The Customer shall inspect the Goods as soon as possible after their delivery to the place of performance. The Customer shall complain about any discovered apparent defects of the Goods in writing within ten (10) business days after acceptance of the Goods.
- 7.3 Delivery of Goods with any defect, whether legal or factual, constitutes a material breach of the Subcontract and the Customer shall have rights under the Civil Code in respect of defective performance.
- 7.4 Where defective Goods are delivered, the Customer shall be entitled to carry out an inspection at the Supplier's and according to the result of the inspection, to impose corrective measures on the Supplier in order to avoid defects of any future supplies of the Goods. The costs of the inspection and the corrective measure shall be borne by the Supplier.
- 7.5 The Supplier shall provide the Customer with a warranty for the quality of the Goods of twenty-four (24) months unless the Contract determines otherwise.
- 7.6 The Customer shall provide the Supplier with a written report of defects of the Goods no later than within sixty (60) days from the moment when the Customer discovered the defects of the Goods, however, by the end of the warranty period at the latest. Section 1921 of the Civil Code shall not be applied. In its defect report, the Customer shall indicate the identification of the relevant Subcontract and the type and quantity of the Goods under complaint, the number of the delivery note and/or handover report related to the delivery of the Goods under complaint, the reason for the complaint and the choice of claim for defects;
- 7.7 The Supplier shall be liable for all costs connected with elimination of defects in goods during the warranty period. Should the Customer suffer any damage in connection with enforcement of liability for defects of the Performance or the quality warranty for the Performance, the Supplier shall fully compensate the damage.

SECTION VIII

CONTRACTUAL PENALTIES, COMPENSATION FOR DAMAGE

- 8.1 Should the Supplier breach its obligation to deliver the Goods at the time agreed in the Subcontract or its obligation to deliver the Goods to the place of delivery pursuant to Section 5.1, even partially, the Supplier shall pay a contractual penalty to the Customer in the amount of 0.5% of the total Price of the respective Goods, for each day of delay. The minimum amount of the penalty has been established at CZK 50,000.00.
- 8.2 Should the Supplier breach any of its obligations specified in Section 6.5, it shall pay a contractual penalty to the Customer in the amount of CZK 100,000 for each individual breach of its obligations.
- 8.3 If the Supplier breaches the obligation of confidentiality under Section 11.6, the Supplier is obliged to pay the Customer a contractual penalty of CZK 100,000, and if the Supplier violates the agreed obligation to protect personal data under Section 11.7, the Supplier shall pay the Customer a contractual penalty of CZK 50,000 for each individual breach of this obligation.
- 8.4 Should the Supplier breach any of the obligations set forth in Section 10.3, the Supplier must pay the Customer a contractual penalty amounting to CZK 10,000 for each individual breach.
- 8.5 Payment of the contractual penalties shall be without prejudice to the Customer's right to full compensation of damage and the Supplier's obligation to meet the obligation secured by the contractual penalty shall not cease to exist.
- 8.6 For the purposes of the Business Terms and Conditions, damage shall mean damage to property (damage) within the meaning of Section 2894(1) of the Civil Code, and, where the perpetrator is the Supplier, also non-material damage within the meaning of Section 2894(2) of the Civil Code. This provision shall mean an express arrangement of the Supplier's obligation to compensate non-material damage in case of the violation of obligations under the Subcontract and these Business Terms and Conditions.
- 8.7 Any contractual penalty shall be due within fourteen (14) days from the date of delivery of a Customer's written request for its payment.
- 8.8 In case of any default in payment of the Price, the Customer shall pay the Supplier interest on late payment in the amount according to the generally binding legal regulations.

SECTION IX

WITHDRAWAL FROM A SUBCONTRACT

- 9.1 The contractual relationship established by a Subcontract may be terminated before it is performed as follows:
- by written agreement between the Parties; or
 - by a written withdrawal served by any of the Parties on legal grounds.
- 9.2 For the avoidance of doubt, the Parties expressly state that in the event of withdrawal from the Subcontract by either Party the rights and obligations of the Parties under the Subcontract shall cease in accordance with the provisions of Sections 2004 and 2005 of the Civil Code as of the effective date of the Subcontract. In such situation, the Parties shall return to each other any performances provided on the basis of the respective Subcontract in accordance with the provisions of Section 2004 and Section 2005 of the Civil Code.
- 9.3 Unless the General Contract determines otherwise, a serious breach shall particularly mean the following for the purposes of withdrawal from the Subcontract:
- breach of the Supplier's obligation to deliver the Goods free of defects in accordance with the General Contract or Subcontract;
 - refusal of an Order by the Supplier in conflict with Section 3.3;
 - recurring failure to comply with the agreed quantity (scope), type, time or place of delivery of the Goods;
 - breach of any of the obligations related to the quality warranty or Supplier's obligation to remove a defect;
 - Customer's default in payment of any Invoice for Goods longer than thirty (30) days, if the Customer fails to pay the due amount to the Provider within fourteen (15) days from delivery of a Supplier's written request;
 - breach of the confidentiality obligation pursuant to Section 11.6 or the obligation to protect personal data pursuant to Section 11.7.
- 9.4 The provisions of Section 1978(2) of the Civil Code shall not apply.
- 9.5 Termination of the contractual relationship established by the General Contract shall not affect the term of the contractual relationships established by Subcontracts and vice versa. The General Contract and individual Subcontracts shall not represent dependent contracts within the meaning of Section 1727 of the Civil Code. Where the Customer becomes entitled to withdraw from the General Contract, the Customer may, at its discretion, also withdraw from all or some of the Subcontracts which the Customer identifies in its written notice of withdrawal.
- 9.6 Withdrawal from the General Contract or the respective Subcontract shall be without prejudice to the right to compensation of any damage to the Customer, including a non-material one.

SECTION X

PRINCIPLES OF OCCUPATIONAL SAFETY AND HEALTH PROTECTION

- 10.1 Both Parties are obligated:
- to inform each other in writing about the risks and measures taken to protect them from the risk effects relating to performance of the work and the Customer's workplace. In the event of a change in the designated representative, the Party is obliged to inform the other Party in writing of this fact. Upon proper delivery of the notice, the representative shall change and there shall be no need to make an amendment to the Subcontract.
 - to cooperate in ensuring occupational health and safety.
- 10.2 The Customer is the authorised employer who coordinates the implementation of occupational health and safety measures of employees and the procedures to ensure them in accordance with the Labour Code.
- 10.3 The Supplier is obliged in the performance of the Subcontracts:
- to ensure that the activities and work of the employees and subcontractors used by the Supplier to perform the Subcontracts ("Workers") are organised, coordinated and performed in such a way that the other Party's employees are also protected;
 - to comply with legal and other regulations relating, in particular, but not exclusively, to occupational health and safety and fire protection;
 - to fulfil all obligations arising from it from legal and other regulations (i.e. including the Customer's internal regulations provided/notified to it by the Customer) relating, in particular, but not exclusively, to occupational health and safety and fire protection and the Labour Code;
 - to comply with any instructions of the Customer's designated representative and the Customer's safety engineer relating, in particular, but not exclusively, to occupational health and safety and fire protection;
 - to provide appropriate and comprehensible information and instructions concerning occupational health and safety and information on measures taken in accordance with the Labour Code, in particular, but not exclusively, to fight fires, provide first aid and evacuate individuals in the event of emergencies;
 - to provide proper protective work equipment and ensure its use in the performance of the Subcontracts or ensure the use of protective work equipment provided by the Customer;

- prior to commencement of performance under the Subcontract, to ensure the participation of employees in the Customer's training carried out in accordance with the Labour Code and legal regulations in the area of occupational safety and health and fire protection, or train these employees in this area itself;
 - to provide for all necessary fire protection measures required in the performance of the Subcontracts in accordance with legal regulations;
 - to ensure that staff have the appropriate professional and medical competence to carry out activities under the Subcontracts in accordance with legal and other regulations;
 - at the Customer's request, to submit documents and confirmations of the training courses in the field of occupational safety and health and fire protection of workers (i.e. those not carried out directly by the Customer) and documents of their professional competence according to Section 10.3(i) above. In case of failure to submit them, the Customer has the right to deny access to its workplace to an employee whose documentation has not been submitted;
 - to ensure that the Customer always has up-to-date documentation required in accordance with Section 10.3(j) above if it is amended or supplemented. The Customer may at any time request resubmission of the documentation in accordance with Section 10.3(j) above in order to verify that the information is up to date;
 - to ensure that employees refrain from consuming alcohol and other addictive substances and entering the Customer's premises under their influence;
 - to ensure that employees are tested for alcohol or other addictive substances at the request of the Customer's representative;
 - to ensure that the personnel leave the Customer's premises without delay in the event that the findings under Section 10.3(m) above are positive;
 - to promptly report to the Customer's designated representative any injury to a Supplier's employee that occurs during the performance of the Subcontract and allow the Customer to participate in the investigation of the causes and circumstances of such injury;
 - to provide the Customer with a copy of the record of the accident according to Section 10.3(o) above and to produce the accident book for inspection at the Customer's request;
 - in the event of a fire (or any other emergency situation), to immediately inform the Customer's representative and ensure measures to extinguish the fire and prevent damage;
 - not to commence fire hazardous work without the written approval of the Customer;
 - to ensure that drivers provided by the Supplier for the performance of the Subcontract follow the driver instructions in force at the Customer's premises.
- 10.4 For the purpose of fulfilling the Supplier's obligations under Section 10.3 above, the Customer undertakes to:
- provide the Supplier with up-to-date information on safety risks at the workplace;
 - provide the Supplier with the Customer's current internal regulations concerning occupational health and safety and fire protection.

SECTION XI

FINAL PROVISIONS

- 11.1 The Supplier assumes the risk of altered circumstances within the meaning of Section 1765 of the Civil Code.
- 11.2 The Parties expressly exclude application of the provisions providing for references to the business terms and conditions in adhesion contracts and clauses in those contracts as contained in Section 1799 and Section 1800 of the Civil Code.
- 11.3 Neither of the Parties shall be entitled to unilaterally assign the Subcontract as a whole.
- 11.4 Any notice, Order confirmation or document to be delivered under the General Contract, Subcontract or Business Terms and Conditions may be delivered in person, by a courier or sent as a recorded delivery letter or, in expressly specified cases, electronically (by e-mail) or fact to the Party to which it should be delivered. Any notice shall be deemed to have been duly delivered to the relevant Party at the time it reaches the addressee's sphere. Unless the General Contract or Subcontract determines otherwise, copies of all Invoices shall be delivered to the Customer on the issue date to the following address: Due period of Invoices shall start at the moment of delivery of the original Invoice to the Customer.
- 11.5 By accepting the Order, the Supplier agrees to these Terms and Conditions and declares that it had the opportunity to familiarise itself with these Terms and Conditions before the above-mentioned action and does not consider them surprising.
- 11.6 The Parties shall maintain the confidentiality of all facts they learn during their cooperation on the basis of the Subcontract which, if disclosed to a third party, might cause damage to the other Party, particularly facts such as trade secrets, information of a business nature or utilisable for business activity even though they are not a trade secret. The confidentiality obligation shall survive termination of the Contract for the whole time for which such a violation of the confidentiality obligation is capable of causing damage to the other Party. The disclosure of confidential information to an auditor or a state administrative authority with a statutory right to such information, shall not be considered a breach of the confidentiality obligation. In other cases, disclosure of confidential information shall be subject to the other Party's approval. Once the obligation established by the Contract terminates, the Supplier shall return to the Customer any and all provided materials and information representing or containing confidential information and prevent any unauthorised access to the information.
- 11.7 Where the data to which the Supplier gains access in connection with provision of the Goods have the nature of personal data within the meaning of Regulation of the EP and Council (EU) No. 2016/679, the General Data Protection Regulation, the Supplier shall take any action in order to prevent unauthorised or accidental access to such data, its change, destruction or loss, unauthorised transmission or other misuse, and it shall ensure that such personal data is treated in accordance with the quoted legal regulation. The Supplier shall be authorised to process such data exclusively for the purposes of performing the Contract and for the necessary period.
- 11.8 Should any provision hereof become ineffective or unenforceable, or should it be ostensible, the remaining provisions hereof shall remain in force. In such a situation, the Parties shall replace the ineffective, unenforceable or ostensible provision with one which shall be as close as possible to the economic purposes of the ineffective, unenforceable or ostensible one.
- 11.9 If any claim or right ensuing from any Subcontract is not exercised or is omitted, it shall not be interpreted as a waiver of the claim or right unless the relevant Party expressly waives the claim or right in writing. A waiver of any claim or right arising from a Subcontract shall not be construed as a waiver of any other claim or right. Any extension of time to perform an obligation or other legal action provided for in any Subcontract shall not be construed as an extension of time to fulfil any other obligation or other legal action provided for in any Subcontract.
- 11.10 The Subcontract, or other relationships arising from it, unless the Parties agree otherwise, are governed by the law of the Czech Republic, in particular the relevant provisions of the Civil Code. Trade practices shall not prevail over any statutory provision, not even those without peremptory effects.
- 11.11 Any possible disputes arising out of and/or in connection with the Subcontract shall be settled amicably. Should the Parties fail to settle any dispute amicably within thirty (30) days, the dispute, including any issues regarding the validity, interpretation, exercise or termination of rights arising out of the Subcontract, shall be resolved by a Czech court having the jurisdiction in rem and territorial jurisdiction, according to the Customer's registered office.
- 11.12 The Parties shall only negotiate Framework Agreements, Subcontracts and amendments thereto if there is full agreement on their content.
- 11.13 By entering into the Subcontract, the Parties acknowledge that the corporate policy of the Customer and its affiliates requires that the business of the Customer be conducted within the letter and spirit of the law. By entering into the Subcontract, the Parties agree to conduct business under the Subcontract in a manner consistent with all applicable laws of the Czech Republic, the United States Foreign Corrupt Practices Act (FCPA), good business practices as described below in this section, and as may be communicated to the Supplier by the Customer or any of its affiliates. The Supplier undertakes not to provide or offer (and to ensure that its employees and persons authorised to act on its behalf do not provide or offer) any gifts or benefits to the Customer's employees (e.g. gifts of any value, payments, entertainment trips, meals, tickets to sports matches, exclusive benefits, accommodation, loans, offers of employment to the Customer's employees and their immediate family, or free services). The prohibition in the preceding sentence does not apply to marketing items of symbolic value that are generally provided to the Supplier's customers. If the Supplier breaches its obligation set out in the third sentence of this section, such breach shall constitute a material breach of the Subcontract and shall entitle the Customer to withdraw from the Subcontract.

SECTION XII

POTENTIALLY SURPRISING ARRANGEMENTS IN BUSINESS TERMS AND CONDITIONS

The Supplier hereby confirms that it is familiar with the following important and potentially "surprising" arrangements as contained in these Business Terms and Conditions, it understands those arrangements and expressly accepts them:

- obligation of written acceptance or refusal of the Order, or automatic acceptance of the Order within two (2) days without further conditions (Section 3.3);

- (b) requirement of Customer's written approval of any change of any price specified in the Pricelist (Section 4.2);
- (c) the Customer's right to a discount on the Price in case of payment of the Invoice within thirty (30) days (3% discount), by which the Customer is entitled to unilaterally reduce the Price on the respective Invoice (Section 4.5);
- (d) Customer's possibility to unilaterally set off its claims against the Supplier before their due date, including the conditions of pledging and assigning Parties' claims (Sections 4.8-4.11);
- (e) obligation to effect liability insurance covering the Supplier's obligation to compensate possible damage caused to the Customer (Section 6.4);
- (f) process of the Supplier's inspection in case of an earlier delivery of defective Goods (Section 7.4);
- (g) agreeing a contractual penalty in the event of a breach of the obligation to deliver the Goods properly (Section 8.1), the obligation to act in the interests of the Customer (Section 8.2) and the duty of confidentiality (Section 8.3);
- (h) obligation to compensate non-material damage (Section 8.6);
- (i) arrangement of contractual interest on late payment (Section 8.8);
- (j) risk of altered circumstances within the meaning of Section 1765 of the Civil Code and exclusion of application of the provisions of Section 1799 and Section 1800 of the Civil Code, providing for references to the business terms and conditions in adhesion contracts and clauses in those contracts (Section 11.2)