

## General Business Terms - Customer

These **General Business Terms - Customer** (hereinafter referred to as **GBT-C**) are governing relations between one of the PYRONOVA Group companies as a supplier of goods (hereinafter referred to as the Supplier) and the Customer, regarding physical delivery of goods and shall stay effective as long as the purchase contract between Suppliers and the Customer, or the binding pre-order refers to these GBT-C, and if not specified in the purchase contract or in the binding pre-order otherwise.

Relationships between the Supplier and the Customers not regulated by these GBT-C shall follow the provisions of the relevant legislation governing the legal relationship in question.

### 1. Offer

1.1. The supplier's offer shall be binding and shall be effective by the date stated in the text as the offer validity. Upon the offer expiry, the Supplier shall reserve the right to modify the quotation and terms.

1.2. Unless the offer validity is not marked in the text, the offer shall be valid for 4 (in words: four) weeks from the date of issue.

### 2. Purchase order

2.1. Upon the offer confirmation by the Customer and returning the confirmed offer back to the Supplier within its validity, the offer becomes a binding pre-order

2.2. The binding pre-order from the Customer can be replaced by a purchase contract signed by both parties.

### 3. Purchase contract

3.1. If the Supplier and the Customer decided to resolve the contractual relationship by a purchase contract, then it must be concluded in writing and must be signed by the authorized persons or authorized representatives of both parties, and must contain their essential elements, that is designation of the parties, determination of the purchase subject, supplier's obligation to deliver the purchase subject to the customer and transfer the ownership rights, liability to pay the purchase price. If the purchase contract does not determine a fixed price, then the form of the later determined price of the goods shall be agreed on in writing.

3.2. Any such addenda to the purchase contract must be made in writing, otherwise they are void.

### 4. Price

4.1. Subject price in the binding pre-order, or the purchase contract shall generally be provided on an "EX WORKS" principle ("from the plant") - from the Supplier's warehouse as per international commercial terms INCOTERMS 2000 (International Commercial Terms).

4.2. If the cost factors are changed during the time between the offer and the takeover of goods, affecting the Customer's binding pre-order or purchase contract subject price, such as added import duties, customs duties, value added tax modifications, and this change will be caused by changes in legislation, then the Supplier reserves the right to additional amend the price.

### 5. Delivery Terms

5.1. Any deliveries of the pre-ordered goods shall be done under the terms of the "EX WORKS" ("from the Plant") principle - from a Supplier's warehouse under international commercial terms INCOTERMS 2000

(International Commercial Terms) issued by the International Chamber of Commerce in Paris.

5.2 Unless the contracting parties agree on another method of paying the price of goods than indicated in these GBT-C, partial payment of the price of the goods is a condition of the delivery of goods from the Supplier to the Customer under the provisions of 9.1 point a) of these GBT-C. By the time the partial payment of the purchase price is made, the Supplier is not obliged to deliver goods to the Customer and this is not considered a delayed delivery from the Supplier. In this case, Supplier is not liable for damages to the Customer.

### 6. Delivery Time

6.1. If the pre-ordered goods are in stock, the delivery time is usually immediately upon receipt of a binding pre-order or after signing the purchase contract.

6.2. If the pre-ordered products are not in stock, the delivery time will depend on the manufacturer's delivery possibilities and the Supplier will undertake appropriate measures in order to accelerate the delivery of goods.

6.3 Contracting parties may agree on different deliver time in the binding pre-order or purchase contract.

### 7. Transfer of ownership rights and transfer of damage risk

7.1. Ownership of the goods to be delivered, transferred from the Supplier onto the Customer only after the full price of goods is paid.

7.2 The risk of damage to the goods passes from the Supplier onto the Customer at the moment the Supplier delivers the goods to the Customer.

### 8. Warranty

8.1. The Supplier warranty of 12 (*in words: twelve*) months for the products, from the date Customer receives the products.

8.2. The warranty does not cover natural wear of the products, their damage by improper operation or negligent treatment.

### 9. Payment

9.1. Unless the contacting parties have agreed otherwise, the price of goods will be paid as follows:

- a) Customer is obliged to pay the Supplier 30% (in words: thirty percent) of the price of goods within 7 (in words: seven) days from the receipt of a binding pre-order by the Supplier or from the date of signing the purchase agreement by all contracting parties,
- b) Customer is obliged to pay the Supplier 70 % (in words: seventy percent) of the price of goods within 30 (in words: thirty) days of receipt of goods by the Customer.

9.2. Each additional consumption of the pre-ordered goods is possible only provided that the Customer has settled all liabilities for previous supplies, as well as all other liabilities against the Supplier.

9.3 Any claims against the Supplier can be offset, sold, transferred, set up, put to auction or dispose of in any other way, only with the express written consent of the Supplier's statutory body.

9.4 The date of payment of the price of the goods or its part thereof shall be the date on which the payment is credited to the account of the supplier.

## 10. Maturity of Invoices

10.1. Unless the contracting parties have agreed that the price of goods will be paid against an invoice and the maturity of the invoice has not been established, the invoice maturity is 30 (in words: thirty) days from the invoice date.

## 11. Complaints

11.1. In the event of any manufacturing defects in the goods under the Supplier's responsibility, the Customer is entitled to request the claimed defects in the goods to be removed while covered by the warranty period. The complaint can be addressed through repairs of the defects in the goods, replacement of defective goods for new error-free goods or discounts on the price of goods in the amount of defective goods. The method of complaint shall be decided by the Supplier.

11.2. With respect to a complaint in regards of delivered goods, the Supplier is not responsible for the Customer's costs related to the handling of the complaint in regards of delivered goods, nor any resulting damages to the Customer.

## 12. Late Payment

12.1. In the event that the Customer is in arrears with payment of the price for the goods, the Customer undertakes to pay the Supplier a contractual penalty of 0.1% of the unpaid price for goods, for each started day of delay. Negotiating a contractual penalty according to the previous sentence does not affect the claim of the Supplier to a full damage compensation from the Customer, which can be claimed in addition to the contractual penalty, in the full scope.

## 13. Final Provisions

13.1. Any eventual disputes arising between the parties shall be solved by mutual agreement. If there is no consensus between the parties, all disputes arising from the binding pre-order or the purchase contract, including disputes about its validity, interpretation or termination shall be negotiated and solved by the courts of the country, in which the Supplier has his registered office.

13.2 Any relations arising between the Customer and the Suppliers are governed by the legislation of the country where the Supplier has his registered office.

13.3 In the event that any provision of a binding pre-order or purchase contract of these GBT-C is or will for whatever become void, ineffective but unenforceable (*obsolete*), then it has nor will have any effect on the invalidity, ineffectiveness or unenforceability of other provisions of the binding pre-order or purchase contract and these GBT-C. The Parties shall negotiate in good faith to make any invalid, void or unenforceable provision replaced, in writing, by another provision. Its factual content shall be identical or the most similar to the provision being replaced with, and the purpose and meaning of the binding pre-order or purchase contract and these GBT-C must be kept. By the time parties reach an agreement and in the event that they might not agree at all, to replace the invalid, ineffective or unenforceable provisions shall be used other provisions of the binding pre-order or purchase contract and these GBT-C, and failing that, the provisions of the relevant binding regulations and provisions that correspond to the criteria of the previous sentence.

13.4. If a binding order or purchase agreement is canceled, the Parties shall deal with each other already realized performance.

13.5. Assignment of receivables or transferring the liabilities arising from the contractual relationship between the Supplier and the Customer to a third party is possible only with the consent of the other Party.

13.6 These GBT-C are effective for an indefinite period and can be updated at any time by the Supplier. Any update will be labeled in the heading as a new version and will indicate the effective date.

## 14. Supplier's Identification Data

14.1 The identification data of the supplier and the supplier's contact shall be included in the Supplier's offer or concluded purchase contract.