

# General Purchase Conditions

## I. Introductory provisions

1. These General Purchase Conditions (hereinafter referred to as the „**terms and conditions**“) are to be considered as business terms and conditions within the meaning of Section 1751 et seq. of Act No. 89/2012 Coll., the Civil Code, as amended (hereinafter referred to as the „**Civil Code**“). These Terms and Conditions shall govern all commercial legal relations arising between Moravia Systems a.s., with its registered office at Vinohradská 1511/230, 100 00 Praha 10, ID No.: 269 15 189, registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, Insert 17977, as the customer of goods, works or services (hereinafter referred to as „**MoSy**“ or „**customer**“) and other parties as suppliers of goods, works or services (hereinafter referred to as „**supplier**“), regardless of what specific contractual type is agreed upon between the customer and the supplier. The specification of the goods, works, or services to be supplied (hereinafter referred to as the „**delivery**“, the „**supply**“ or the „**work**“) shall be defined in an individual written contract or in a contract resulting from a confirmation of order (hereinafter referred to as the „**contract**“).
2. These terms and conditions are an integral part of any contract concluded between the customer and the supplier.
3. In the event when the supplier's terms and conditions also apply in addition to these terms and conditions and a conflict arises between them, these terms and conditions shall prevail.
4. Any deviating provisions in the contract shall prevail over these terms and conditions.
5. The supplier expressly acknowledges that it has read, understood and agrees on Article III, paragraphs 4 and 5, Article VIII and Article XIII, paragraphs 5 and 6 of these terms and conditions.

## II. Establishment of the contractual relationship between the customer and the supplier

1. Contractual relations between the customer and the supplier are established on the basis of valid and effective individual written contract, regardless of what specific contractual type is agreed upon between the customer and the supplier (hereinafter referred to as the „**individual written contract**“), or on the basis of a written order from the customer (hereinafter referred to as the „**order**“) and its written acceptance by the supplier without any variation (hereinafter referred to as the „**order confirmation**“). In the event of a conflict between the order and the individual written contract, the individual written contract shall prevail.
2. The time limit for order confirmation by the supplier shall be 5 business days from the acceptance of the order. The order confirmation by the supplier must be sent in writing, otherwise it is invalid. The customer is entitled to cancel and change the order at any time prior to order confirmation by the supplier.
3. If the order confirmation and/or the supplier's performance deviates from the content of the order, the customer shall only be bound to the supplier if it has expressly agreed to such deviation to the supplier in writing. Neither the acceptance of performance from the supplier nor the payment by the customer for such performance shall constitute approval of a change to the order within the meaning of the preceding sentence.

4. If the supplier does not confirm the order and these terms and conditions in writing but completes the delivery nevertheless, the supplier shall be deemed to have fully accepted all provisions of the order and these terms and conditions.

## III. Price, terms of payment and set-off

1. The price agreed upon in the contract is considered as final. The price includes all costs of the supplier necessary for the proper execution of the delivery, such as freight, postage, packaging, insurance, taxes and similar fees, documentation, assembly and testing, etc. The price also includes any fees applicable for the granting of the right to use software and firmware, if such software or firmware is included in the delivery.
2. The customer shall pay the price to the supplier based on a tax document (hereinafter referred to as „**invoice**“). The invoice must contain, among other things, the correct VAT rate and the order number of the customer or the number of the individual written contract, as well as the numbers (and the respective subject headings or codes) of each item. When invoicing for a supply subject to the domestic reverse charged regime, the invoice must also contain the code for the subject of the supply in accordance with the applicable instructions of the General Financial Directorate of the Czech Republic (GDF). The customer shall be entitled to return any invoice that is incorrectly charged, incomplete or not accompanied by the relevant documents to the supplier within the due date without being in default with the payment.
3. The supplier is obliged to issue an invoice on the date of the taxable performance. The date of the taxable performance is the date of acceptance of the complete and defect-free supply including the related documentation by the customer.
4. Payment of the invoice is due 60 days from the delivery of the properly issued invoice to the customer. The price shall be paid to the supplier's bank account specified in the contract, which shall be maintained by a domestic payment provider and accessible remotely by the tax administrator. The customer's debt is discharged when the amount due is debited from the customer's account. In the event of a delay up to 7 days by the customer, the supplier shall not be entitled to charge interest on late payment – the supplier waives its right.
5. The supplier is entitled to set off its claims against the customer against the customer's claims against the supplier only with the prior written consent of the customer. The customer shall be entitled to set off any and all claims, both due and undue, against the claims of the supplier. The supplier shall not be entitled to transfer any claim against the customer to a third party without the prior written consent of the customer.
6. Payment of the price by the customer is conditional on the supplier not being in default with any payment to the customer for deliveries that have also been delivered under another contractual relationship. During the period of such default by the supplier, the customer shall not be in default with payment of the price and the agreed time for payment shall be extended accordingly by a period corresponding to the length of the aforementioned supplier's default.
7. At the customer's request, in well justified cases (e.g. in the event of supplier's insolvency), the supplier shall provide proof that it has made the correct VAT payments. Until such proof is received

by the customer, the customer shall be entitled to postpone payment for the supply provided, without being in default. The application of the following paragraph is not excluded.

8. If the supplier is considered to be an unreliable taxpayer (Czech: nespolehlivý plátc) within the meaning of the VAT Act on the date of the taxable supply or if the customer has a good faith belief that the supplier is in a position that would otherwise establish the customer's liability for unpaid VAT, the customer is entitled to pay the supplier the price of the supply without an amount equal to the relevant VAT on the supply directly to the account of the relevant tax administrator. In the event of such a procedure, the price for the supply shall be deemed to be paid at the time when the two amounts referred to in the preceding sentence are debited from the customer's bank account.
9. The supplier shall provide the customer with the necessary assistance in the customer's dealings with the tax authorities, which shall consist in particular of the proper and timely provision of correct information and documents and of support in the customer's dealings with the tax authorities should the tax authorities make a claim against the customer on account of the customer's liability for VAT or should the customer voluntarily pay VAT on the supply under this contract.

#### IV. Delivery and acceptance of the delivery

1. The delivery is accepted by written confirmation of acceptance of the complete subject of delivery by the customer for deliveries with assembly and for services. In the case of deliveries without assembly, the delivery is accepted by written confirmation of the delivery (including unloading) of the complete subject of delivery without defects to the destination agreed in order confirmation or in the individual written contract.
2. If the customer subsequently discovers missing technical documentation, the supplier shall not be entitled to payment of the price, because such a case is not considered a proper performance of the contract.
3. When delivering technical equipment and devices, the supplier is obliged to instruct the operating and maintenance personnel of the customer or the end user of the delivery. Furthermore, the supplier undertakes to supply the necessary documents for the delivery (in particular assembly instructions, processing instructions, storage, operating and maintenance regulations, etc.). All documents supplied by the supplier must be handed over with the delivery at the latest. These documents have to be written in Czech, or in English if requested by the customer. At the request of the customer, the supplier shall also be obliged to supply an additional language version of the documents provided free of charge.
4. In the event that the subject of the contract are products specified in the implementing regulations to Act No. 22/1997 Coll., on technical requirements for products, the supplier is obliged to provide the customer with a copy of the Declaration of conformity (Czech: Prohlášení o shodě) with written assurance of the issuance of the Declaration of conformity, no later than on the agreed date of performance. Furthermore, the supplier is obliged to allow the customer to check the work in progress of the subject of performance during the performance of the contract.
5. For deliveries of pipes, pipe fittings and flanges the customer always requires a legible copy of the original material certificate according to EN 10204 3.1. If the goods were manufactured directly for MoSy, the customer always requires the original certificate.
6. For deliveries of valves with steel bodies (carbon, alloy, stainless steel) the customer always requires a legible copy of the original material certificate according to EN 10204 3.1. If the goods were manufactured directly for MoSy, then the customer always requires the original certificate. For deliveries of valves the customer also requires a legible copy of the original pressure test report according to EN 10204 3.1. If the goods were manufactured directly for MoSy, the customer always requires the original certificate.

7. For deliveries of fittings with grey and ductile cast iron bodies, the customer always requires a legible copy of the original material certificate according to EN 10204 2.2. If the goods were manufactured directly for MoSy, the customer always requires the original certificate. For deliveries of fittings the customer also requires a legible copy of the original pressure test report according to EN 10204 2.2. If the goods were manufactured directly for MoSy, the customer always requires the original
8. The obligation to provide documentation for the service/goods arises even in cases where such documentation is not required in the contractual documents related to the performance to which these conditions relate, but the need for such documentation arises from the nature of the service/goods supplied and is necessary for its use and handling.
9. The customer is entitled to request the supplier to suspend performance of the contract at any time in writing. Upon receipt of such notice, the supplier shall suspend all work until it receives a written request from the customer to continue performance.
10. The supplier shall not be entitled to claim for the first 90 days from the date of suspension of performance of the contract the payment of storage fees or other costs incurred for this reason. The dates of performance of the contract shall be extended accordingly for the duration of the suspension.
11. In the event that the supplier discovers or foresees any problems with the performance according to the agreed delivery date or any other obligations under the contract, the supplier shall inform the customer of this fact in writing without undue delay and propose a new possible delivery date or a new deadline for fulfilling such obligation.
12. In the event that (i) the customer does not accept this newly proposed delivery date by the supplier or (ii) the supplier fails to deliver the agreed delivery quantity on the agreed date, the customer shall be entitled to make an alternative delivery of the undelivered quantity from third parties of its own choice, the so-called „alternative purchase“.
13. In the event that the customer makes an alternative purchase in accordance with these terms and conditions, the supplier shall pay the customer damages in the amount of the difference between the purchase price of the undelivered (or defective) items agreed in the contract and the purchase price of the items under the alternative purchase contract, if the purchase price of the alternative purchase is higher.
14. In the event of delay in performance of the contract by the supplier, the supplier is obliged to pay the customer a contractual penalty of 0.3% of the price of the performance in question (including VAT) for each day of delay. The contractual penalty does not affect the customer's right to compensation for damages in excess of the contractual penalty. The place and time of performance shall be the place and, where applicable, the time specified in the order or in the individual written contract.
15. The supplier shall be entitled to ensure the performance of the delivery through a subcontractor only with the prior written consent of the customer.
16. If the nature of a particular part of the delivery makes it possible, the delivery or part of the delivery may be made by so-called remote access. If the contract does not expressly stipulate whether a specific part of the delivery is to be performed by the supplier at the place of performance or by remote access, and the nature of the performance allows both of these options, the customer is entitled to choose between these methods at its discretion without affecting the agreed price of the delivery. In the event that the delivery or part thereof is to be carried out by remote access, the customer shall be obliged to allow the supplier such remote access. The supplier shall bear the costs associated with remote access.
17. If the delivered goods are not marked according to the customer's requirements, they may be returned to the supplier as goods delivered in breach of contract. The contract shall not be deemed to have been fulfilled by the delivery of such goods.
18. The supplier is entitled to make the delivery before the agreed

performance date only with the express written consent of the customer.

19. Partial deliveries may only be made with the express written consent of the customer.

#### **V. Delivery method, transfer of title, transfer of risk of damage**

1. The supplier shall deliver the delivery at its own expense and risk to the agreed delivery place. Cash on delivery will not be accepted. The supplier is obliged to pack the delivery in such a way as to prevent damage to the delivery itself and to health and property during the transport.
2. In the event that the costs of transporting the delivery to the agreed place of performance are to be borne by the customer according to the order confirmation or the individual written contract, the supplier shall be entitled to invoice the customer only for those costs that have been agreed in advance by the customer.
3. In the event that transport is carried out by the supplier and the costs of transporting the delivery to the place of performance are borne by the customer, it shall be applicable that insurance of damage to the deliveries during their transport is provided by the supplier at a minimum amount of 110 % of the value of the delivery. Excess insurance premiums shall not be paid by the customer. This provision does not exclude the supplier's general liability for damage to the supplies during the transport.
4. If the transport is carried out by a carrier authorized by the customer, the supplier is obliged to inform the carrier of the necessary details concerning the dangerous goods.
5. Fittings must always be supplied with blinded flow and protection of the connection ends.
6. The supplier shall attach to the delivery a delivery note with all the details from the order or from the individual written contract, such as the order number or individual written contract number, part numbers, the exact designation of the goods, the order or the individual written contract item and, in the case of deliveries from European Union member countries, the tariff classification of the goods. In case the customer states in the order or in the individual written contract that the delivery is destined outside the EU, the delivery shall also include documents proving the origin of the goods for customs purposes, re-export, etc., including a completed supplier's declaration for export and customs control purposes.
7. If the delivery includes an item supplied according to drawings, the supplier shall attach a copy of the drawings to the delivery.
8. The supplier is obliged to ensure that:
  - a) the delivery is accompanied by a packing or delivery note with a clear indication of the contents as well as the complete order number of the customer or individual written contract number,
  - b) each part of the consignment („colli“) bears a clear indication of the contents on the packaging as well as the complete order number of the customer or individual written contract number,
  - c) the dispatch of the delivery, the receipt of which at the destination requires the presence/assistance of the recipient, has been notified (announced) in writing to the customer or recipient at least 2 business days in advance, together with a clear identification of the contents as well as the complete order number or individual written contract number.
9. Title and risk for damage to the delivery shall pass to the customer at the time of acceptance, i.e. by written confirmation of receipt of the undamaged delivery at the destination according to the order confirmation or according to the individual written contract in the case of deliveries without assembly and by signature of both parties on the record of acceptance of the complete subject of delivery in the case of deliveries with assembly and

in the case of services.

10. Material owned by the customer and provided to the supplier for the purpose of delivery shall remain in the property of the customer and shall be separately stored, labelled and administratively recorded free of charge. Its use shall be permitted only for the fulfilment of the supplier's obligations to the customer. In the event of its deterioration or loss, the supplier shall be obliged to procure and use an appropriate replacement at its own expense.
11. The processing and/or modification of the customer's material shall be carried out by the supplier exclusively for the customer. The customer is the immediate owner or co-owner of the modified material, intermediate product or new item. Should it not be possible for legal reasons, the customer shall be the owner of any new item at any time of processing or modification. The supplier shall be obliged to hold each such new item free of charge for the customer with professional care until it is handed over to the customer.
12. The tools, forms, samples, models, profiles, drawings, standards, printing patterns, instructions in any form provided by the customer, as well as the items produced in accordance with them, may not be passed on to third parties or used for purposes other than those specified in the contract without the written permission of the customer. The supplier is obliged to protect (secure) them against unauthorized inspection or use and to mark them with the customer's name, if technically possible. If the supplier breaches these obligations, the customer may demand their release without affecting any other customer's rights..

#### **VI. Quality guarantee, liability for defects**

1. The supplier shall provide the customer with a 24-month quality guarantee of the delivered supplies, with the guarantee period commencing at the moment of the transfer of the risk of damage to the goods.
2. In the case of a delivery that is further delivered by the customer to a third party without having been used, the warranty period shall commence upon acceptance of the delivery by the third party and shall end no later than 2 years after the risk of damage to the goods has passed to the third party.
3. The supplier undertakes that its performance will comply with the requirements of ISO 9001, ISO 14001 and OHSAS 18001. Where the supplier is certified to these standards, the applicable certificates shall be available on its website. If the supplier is not certified to these standards, the customer shall be entitled to audit the supplier to determine compliance with these standards.
4. The supplier shall be obliged to remove the defect that was detected before the risk of damage has passed or that has become apparent during the warranty period, at its own expense and at the customer's option, or to deliver a new delivery (or the missing part of the delivery) within 5 business days from the date of receipt of the complaint. This provision shall also apply to deliveries for which the acceptance inspection was only limited to a spot check of samples or identity. The supplier undertakes to take immediate remedial action at its own expense. The supplier shall send the customer information on the corrective measures it has implemented to prevent the recurrence of errors in the format requested by the customer. The deadline for sending the information is 2 business days after receipt of the complaint.
5. If the supplier fails to remove the defect or to provide a replacement delivery, even after the customer has given the supplier a reasonable additional period of time, the customer shall be entitled to:
  - a) withdraw from the contract in whole or in part,
  - b) demand a discount, or
  - c) at the supplier's expense, either himself or through a third party, to remove the defect or arrange for a replacement delivery, without prejudice to the supplier's obligations under the quality guarantee and liability for defects.

6. The customer shall have the right to claim a contractual penalty against the supplier for defective performance of the subject of the contract in the amount of 15% of the agreed price. The customer's claim for compensation for damages in excess of the contractual penalty shall not be affected by the contractual penalty. Removal of the defect shall not affect the customer's entitlement to the contractual penalty under this paragraph and compensation for damages.
7. The provisions of these terms and conditions, in particular the provisions concerning the place and manner of performance and the exercise of rights under liability for defects, shall apply to the handing over of a new performance within the framework of the rectification of a defect and to liability for defects in this performance.
8. The supplier shall be obliged to remove the defects in the delivery or to deliver a new delivery (or the missing part of the delivery) within 5 working days from the date of receipt of the complaint, unless otherwise agreed with the customer, regardless of liability for the defect. If it is subsequently proven that the supplier is not responsible for the defect, the customer shall be obliged to reimburse the supplier for the costs incurred by the supplier to remove the defect in a demonstrable and reasonable manner.
9. The supplier is obliged to reimburse the customer for the costs associated with the claim, including transport costs, within 30 days after receipt of the relevant invoice from the customer. In the event of non-payment of the invoice, the customer shall be entitled to set off its claims against any of its claims against the supplier.
10. Removal of the defect at the supplier's expense may occur without granting the supplier additional time if the supplier was in default with the original performance of the delivery.
11. The costs incurred by the customer to remedy the consequences of the supplier's breach of duty and to remedy any defects in the delivery shall be paid by the supplier to the customer upon receipt of the relevant invoice in accordance with its due date. This also applies, *mutatis mutandis*, to the costs incurred by the customer in vain in processing or modifying the delivery for the aforementioned purpose.
12. The customer shall be deemed to have asserted a right to defective performance in time if it has done so:
  - a) within 1 month of the transfer of the risk of damage, or of the performance of the service, or
  - b) within 1 month of the discovery of the defect, if the delivery has not yet been used and the defect was only discovered during further processing or modification or upon delivery to a third party.
13. The supplier shall be obliged to carry out or arrange for post-warranty repairs for a reasonable price for a period of 10 years from the date of delivery, including the procurement of replacement parts, if the nature of the supplies so requires. Otherwise, the supplier is obliged to inform the customer without delay and to provide the customer with a replacement solution under similar conditions.

## VII. Licensing provisions

1. If the delivery includes software or another copyrighted product (hereinafter referred to as „AUV“), including the related knowledge and know-how of its use, the customer is entitled and obliged to dispose of the AUV in the following manner.
2. The supplier is obliged to inform the customer – no later than at the time of order confirmation or conclusion of the individual written contract – whether the products and services to be supplied contain „Open Source Software“. Open Source Software means any software that the relevant licensor makes available free of charge to any user under license or other agreement with the right to modify and/or distribute such software. The Open License Terms include, for example, the following licenses: the GNU License, the General Public License (GPL), the GNU

Lesser GPL (LGPL), the BSD license, the Apache License, or the MIT License. In the event that the deliveries contain Open Source Software, the supplier shall provide the customer with the following no later than at the time of order confirmation or conclusion of the individual written contract: the source code of the applicable Open Source Software, if the applicable Open Source Terms require disclosure of such source code; a list of all Open Source files used, indicating the applicable license and containing a copy of the full text of such license; and a written statement that neither supplier's nor customer's products will be subject to the Copyleft Effect as a result of the intended use of the Open Source Software. In the event that the supplier discloses to the customer that its supply contains Open Source Software or the customer becomes aware of such information after order confirmation or after the conclusion of the individual written contract, the customer shall be entitled to cancel the order or withdraw the individual written contract within 14 days of receipt and confirmation of such information, without prejudice to the right to compensation..

3. The supplier hereby grants the customer the following non-exclusive, transferable, worldwide and unlimited rights to:
  - a) the use of the deliveries, their integration into other products and their worldwide distribution,
  - b) granting a sub-license to use or permit third parties to use the AUV and related documentation in connection with the installation, commissioning, testing and operation of the AUV,
  - c) granting sub-licenses of usage rights also to persons controlling the customer or controlled by the customer or other persons in the Intermons group,
  - d) use of the AUV for integration into other products,
  - e) distributing, making copies (all backup copies are subject to these license terms; all names, trademarks, copyright notices (©, ®) and user rights restriction notices will be reproduced on such copies), selling, lending, renting the AUV, making it available for download or making it available to the public, e.g. in the sense of providing application services or otherwise, and to copy it to the extent necessary, provided always that the number of licenses used at any one time shall not exceed the number of licenses purchased,
  - f) in addition to the rights granted above, the persons referred to in paragraph c) are authorized to grant licenses to end-users to use the AUV.
4. All sub-licenses granted by the customer shall include appropriate protection of the intellectual property rights owned by the supplier. All sub-licenses shall contain contractual provisions used by the customer to protect its own intellectual property rights.
5. The supplier declares that it is entitled to grant the above-mentioned rights to the AUV, in particular that it has settled all necessary third-party copyrights.

## VIII. Damage compensation

1. The total extent of the customer's obligation to compensate the supplier for damages incurred by the supplier in connection with the performance of the contract or breach of law is limited to 10% of the total price (excluding VAT) for all damages in total. Only actual damages shall be compensated; lost profits and other types of damages shall not be compensated. Damages shall be compensated preferably in money. Any contractual fines or other penalties paid by the customer to the supplier shall be set off against the full amount of damages. The above agreed limitation shall not apply to compensation for damages caused by intent or gross negligence or to compensation for damage caused to a person's natural rights.

## IX. Withdrawal from the contract

1. The parties may only withdraw from contract in cases of significant breach of contract or in cases expressly provided for in the contract or these terms and conditions or in cases expressly provided for in law. Withdrawal shall be effective on the date of delivery of written notice of withdrawal to the other party.
2. A substantial breach of contract means:
  - a) delay by the supplier in making a defect-free delivery for more than 10 days. In the event of delay, the customer shall inform the supplier whether it insists on the delivery. If the customer insists on the delivery, the customer may withdraw from the contract only after the expiration of the time limit set for remedy;
  - b) a breach of an obligation of the supplier or of the customer as provided for in these terms and conditions
3. A contracting party is also entitled to withdraw from the contract with effect from the date of delivery of the declaration of intent containing the withdrawal to the other contracting party if:
  - a) a decision on the insolvency of the other party has been issued by the competent insolvency court,
  - b) the application for a bankruptcy order has been rejected by the competent insolvency court due to the lack of assets of the other party,
  - c) the application has been filled with the insolvency court by the other party for a bankruptcy order in respect of that other party,
  - d) enforcement of a judgement or execution against the property of the other party has been unsuccessfully pursued,
  - e) the other party has become an unreliable taxpayer within the meaning of the VAT Act,
4. The parties are also entitled to withdraw from the contract if a force majeure event prevents the delivery for more than 3 months.
5. The customer is also entitled to withdraw from the contract if the supplier is in default of its obligations under another contract for more than 30 days.
6. Withdrawal from the contract does not affect the right to payment of contractual penalties, compensation for damages and other provisions of the contract or these terms and conditions, which according to the expressed will of the parties or due to their nature are to continue after the termination of the contract.
7. The customer is entitled to withdraw from the contract at any time without giving any reason, provided that it also undertakes to pay all demonstrable and reasonable costs incurred by the supplier in connection with the performance of the contract up to the effective date of withdrawal. In such case, the supplier shall be obliged to hand over any work in progress or partial deliveries or services to the customer.

## X. Confidentiality, data protection

1. „Confidential information“ means any information, data, details or communication marked as „confidential“ or similarly described by the party providing the information, and in particular any commercial or technical information and data communicated by one of the parties to the other which relates to the purpose for which the contractual relationship is concluded, in any medium, whether on paper or electronically. If data or information of a confidential nature is communicated orally, the receiving party must be notified of this fact at the time of the oral communication and the confidentiality must subsequently be confirmed by the transmitting party in writing within 3 days of the communication.

2. Neither party shall be entitled to disclose to a third party confidential information, or to make confidential information available to a third party in any way, even in part, without the prior written consent of the other party. The parties shall be entitled to use the documents, data and information received in connection with the confidential information only for purpose specified in the contractual relationship. It shall not be a breach of the obligation of confidentiality to disclose information in the performance of a legal obligation or to disclose information to a court or arbitration tribunal in the exercise of any claim or right under the contractual relationship in question, or to disclose information, documents and data to persons forming a holding company with the contracting party, consultants and other persons involved in the performance of the contractual relationship or activities related to the contractual relationship who are under a statutory or contractual obligation of confidentiality, and neither party shall be entitled to exempt such persons from the obligation of confidentiality in any connection with the contractual relationship. The parties undertake to ensure that such persons are made aware of the obligation of confidentiality and are bound by it to the same extent as the parties. The obligation of confidentiality shall not apply to:

- a) information that is publicly known at the time of the conclusion of the contractual relationship, or the disclosure of which occurs subsequently in a manner other than a breach of the obligation of confidentiality by the contracting party, information that the contracting party must disclose in accordance with a legal regulation or a decision of a public authority that is authorized to do so by law;

- b) information which is already demonstrably available to the contracting party at the date of conclusion of the contractual relationship;

- c) information which is or will be disclosed to the contracting party by third party without any claim of restriction on its use or confidentiality.

3. The obligation of confidentiality continues after the termination of the contractual relationship. In the event of a breach of the obligations under this article, the party that has breached the obligation shall be obliged to pay the other party a contractual penalty of CZK 100,000 for each such breach. The claim of the damaged party for compensation for damages in excess of the contractual penalty shall not be affected by the contractual penalty.
4. The customer shall process, collect and store the supplier's personal data specified in the contract or provided to the customer for the purpose of the contract in accordance with Act No. 110/2019 Coll., on the processing of personal data, as amended and Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC and other legislation of the Czech Republic. Such personal data shall be processed and stored by the customer in the customer's internal register for record-keeping purposes and for the performance of its contractual obligations.
5. The customer shall process personal data for the duration of the contract; after its termination, the customer shall handle the personal data in accordance with applicable legislation.

## XI. Export control provisions

1. The customer shall not be obliged to perform the contract if such performance is prevented by any hindrance arising from national or international regulations in the field of international trade law or by embargoes or other sanctions.
2. The supplier is obliged to comply with all applicable provision of relevant national legislation and international law relating to export control, customs or related taxes and duties, and international trade law (hereinafter collectively referred to as „international trade law“) in relation to the products and services supplied. The supplier shall also be obliged to obtain the necessary export licenses or permits, unless the applicable

provision of international trade law requires the customer or a third party, rather than the supplier, to apply for such licenses or permits.

3. The supplier is obliged to provide the customer in writing without delay, but no later than on the specified performance date, with all data and information necessary to enable the customer to comply with all applicable provisions of international trade law that may apply to the export, import or (in the case of resale) re-export of the relevant products or services. In particular, for each product or service, the supplier shall provide the customer with:

- a) an "Export Control Classification Number" in accordance with the „U.S. Commerce Control List" (ECCN) if the goods are subject to regulation under the „U.S. Export Administration Regulations",

- b) all export numbers, in particular all AL numbers under Community regulations where the goods are listed in Annex 1 of Council Regulation (EC) No 428/2009,

- c) the statistical number of the goods according to the current classification of goods in the external trade statistics and HS (Harmonized System) classification,

- d) the country of origin (in the case of non-preferential origin),

- e) the supplier's declaration of preferential origin (in the case of European suppliers), if requested by the customer.

(hereinafter collectively referred to as "data")

4. In the event. Of any changes in the origin or characteristics of the products or services, or changes in the applicable provision of international trade law, the supplier is obliged to update the data without delay, but no later than by the due date for performance, and to provide such data to the customer in writing. The supplier undertakes to reimburse the customer for any costs or other damage incurred as a result of incompleteness or incorrectness of the data provided.

5. The supplier undertakes to provide the necessary organizational instructions and take measures, in particular to ensure the security of business premises, packaging, transport, trading partners, staff and information, to guarantee security in the supply chain according to the requirements of the internationally recognized initiative under the WCO SAFE Framework of Standards (e.g. Authorized Economic Operator AEO, Customs – Trade Partnership Against Terrorism C-TPAT). The supplier shall secure goods or services destined for the customer or a third party authorized by the customer against unauthorized access or tampering. The supplier shall authorize only trustworthy persons to dispose of the goods or services and shall oblige its subcontractors to take appropriate security measures.

6. In addition to any other rights and remedies to which the customer may be entitled, the customer may withdraw from the contract in the event. Of a breach of the supplier's obligations under this article. If the supplier's breach of contract can be remedied, the customer shall only be entitled to withdraw from this contract if the breach has not been remedied by the supplier even within and additional reasonable period of time granted by the customer. In the event. That the breach of contract by the supplier cannot be remedied, the breach shall be deemed to be a substantial breach of contract with the associated consequences

## XII. Prevention of bribery and corruption

1. The supplier shall comply with the following and shall ensure that all its officers, employees and agents:

- a) not pay bribes to any person,

- b) not accept bribes from any person,

- c) not propose, solicit, offer, broker or otherwise dispose of any bribes,

- d) not procure or employ any other person to do any of the acts referred to in a) to c),

- e) shall at all times comply with the KKCG Group Anti-Corruption and Bribery Policy (available on request), as amended,

- f) will at all times comply with all applicable laws and regulations, both statutory and regulatory, relating to prevention of corruption and bribery, in particular the Bribery Act 2010 (United Kingdom) and the Foreign Corrupt Practices Act 1977 (USA),

- g) maintain in effect such procedures for the prevention of corruption and bribery that will prevent any bribery or corrupt practices and/or influence peddling that may potentially occur in connection with the contract, and

- h) notify KKCG Group promptly if suspects or fears that bribery is taking place in connection with KKCG Group's business or becomes aware of any such conduct. Such notification may be made by email to [compliance@kkcg.com](mailto:compliance@kkcg.com).

2. The supplier shall ensure that all persons working with him who, in connection with the contract provide services or goods shall provide those services or goods only pursuant to a written contract which imposes on each of the persons concerned conditions equivalent to those imposed on the supplier by this article (hereby referred to as the „relevant conditions"). The supplier shall be responsible for the observance and performance of the relevant conditions by such persons and shall be directly liable to MoSy for any breach of the relevant conditions by such persons.

3. Breach of this article of the terms and conditions named Prevention of bribery and corruption will be considered a substantial breach of contract. Breach of this provision shall entitle the customer to unilaterally terminate the contract without notice or upon 30 days' notice (at its sole discretion).

4. For the avoidance of doubt, it is stated that the customer reserves the right to disclose any information relating to a breach of this policy (or any part thereof) to law enforcement authorities, regulatory authorities or other third parties, reserves the right to initiate civil proceedings to recover damages caused to him as a result of a breach of this provision, and further reserves the right to file a criminal complaint with law enforcement authorities against any person who violates this provision.

## XIII. Final provisions

1. If any provision of the contract or these terms and conditions is or becomes invalid, unenforceable, void, illusory or ineffective, the validity, enforceability or effectiveness of the remaining provisions of the contract or these terms and conditions shall not be affected thereby. In such a case, the parties to the contract shall their best efforts to conclude an amendment to the contract replacing the invalid, unenforceable or ineffective provision in question with a new provision that best serves the purpose originally intended. The right to claim the cancellation of an obligation within the meaning of Section 2000 of the Civil Code is excluded.

2. For the purposes of these terms and conditions, a written form means document executed either:

- a) in printed form and sent to the other party at the address of the party specified in the contract

- by registered post or courier service or by any other means which allows a return receipt to be given to the sender, or

- by fax to the fax number of the contracting party specified in the contract with proof of delivery,

or

- b) in electronic form and sent by electronic mail from the contracting party's email address.

3. In the case of service of any document on the other party to the contract, the same effects that the law associates with service shall arise on the 3rd working days after it has been sent by any of the methods referred to in the preceding paragraph to the relevant address of the contracting party, even if the addressee has not accepted the document.
4. The legal relationship of the parties shall be governed by the law of the Czech Republic, excluding the application of the UN Convention on Contracts for the International Sale of Goods. If the contract or these terms and condition do not contain their own regulation, the rights and obligations of the parties shall be governed by the Civil Code.
5. The application of Sections 558(2), 1726, 1728, 1729, 1740(3), 1744, 1751, 1757(2) and (3), 1793, 1798 to 1800, 1950 and 2112 of the Civil Cod is excluded. The customer and the supplier enter into contracts as traders in the course of their business. Neither party to the contract has the status of a weaker party in relation to the other.
6. Any disputes arising out of or in connection with the contract shall first be resolved by seeking an agreement. If no such agreement is reached, the dispute shall be decided by the court of the customer's place of residence.
7. The customer is entitled to transfer any of the concluded contracts to another person.
8. The already concluded contract may be amended and supplemented only by written numbered amendments confirmed by all parties in question. An amendment to the contract may only be made in the same form as the contract was concluded between the customer and the supplier. No amendment to the contract shall be concluded until the parties to the contract have agreed in full mutual agreement on all the details.
9. The customer is entitled to change these conditions in accordance with Section 1752(1) of the Civil Code. The amendment shall take effect 10 days after its delivery to the supplier in accordance with Article XIV, paragraph 1 of these terms and conditions. The supplier shall be entitled to reject the amendments to these terms and conditions within 10 days of the date of receipt of the notification of the amendment and to terminate the contract with a maximum notice period of 90 days.