

GENERAL BUSINESS TERMS AND CONDITIONS AND COMPLAINT HANDLING RULES

These General Business Terms and Conditions of the **ARKERO GROUP** companies (Seller) regulate the right and obligations of the Parties consisting in the delivery of products or performance of work for a customer (Purchaser). The Seller can refer to:

- **HESTEGO a.s.**, ID No.: 634 75 073;
- **KSK Precise Motion, a.s.**, ID No.: 247 82 947;
- **Dendera a.s.**, ID No.: 222 93 876.

The General Business Terms and Conditions apply in particular to contracts concluded by (i) acceptance of an offer to which these General Business Terms and Conditions are attached, (ii) confirmation of the order on the part of the Seller with reference to these General Business Terms and Conditions or attachment thereof, or (iii) in relation to a framework agreement that refers to these General Business Terms and Conditions. The General Business Terms and Conditions will apply subsequently to any and all following similar contracts concluded by and between the Seller and Purchaser.

1. CONTRACT CONCLUSION AND AMENDMENT

- 1.1. The contract can be concluded in particular as follows: (a) by conclusion of an individual contract or order in either printed or electronic form, (b) by confirmation of the Purchaser's order on the part of the Seller or the Seller's offer on the part of the Purchaser by e-mail or any other similar way, or (c) by confirmation of the Purchaser's order by at least the Seller's performance in fact based on such an order (all forms of conclusion are hereinafter referred to as the "**Contract**").
- 1.2. If the Purchaser accepts the Seller's offer with departures, the Contract is not concluded without any further action; the same provision applies if the Purchaser attaches its own business terms and conditions to offer acceptance. In such cases, the Contract is only concluded if: (a) the Seller expressly confirms the Contract conclusion, or (b) the Seller commences performance.

- 1.3. If the Seller accepts the Purchaser's order with amendments, the Contract is binding in the amended form on condition that the Seller will not refuse such terms and conditions within 3 working days as of delivery of the amended order acceptance.
- 1.4. The Contract fully supersedes any previous verbal or written agreements concerning the subject-matter of the Contract unless such agreements are expressly mentioned in the Contract.

2. SUBJECT-MATTER OF PERFORMANCE

- 2.1. The subject-matter of performance is delivery of products or making of a work based on the specification provided in the Contract.
- 2.2. Unless specific quality, design or purpose of the product or work is agreed on in the Contract, such items shall be delivered in the quality and design suitable for their intended purpose.

3. DELIVERY TERMS AND CONDITIONS

- 3.1. Unless agreed otherwise in the Contract, the Seller will deliver the products to the Purchaser according to EXW INCOTERMS 2020 in the Seller's registered office. The product will be delivered by its handover to the first forwarder.
- 3.2. The time limit for the Seller's performance will be automatically extended by the duration of the following obstacles:
 - (i) a delay of the Purchaser in providing information necessary for the Seller's performance, namely including the provision of drawing documentation, and/or other production or transport instructions;
 - (ii) a delay of the Purchaser in providing any assistance necessary for the Seller's performance;

- (iii) an obstacle consisting in steps required for the implementation of changes where the Purchaser requested additional amendments to the original Contract;
- (iv) an obstacle that the Seller is unable to overcome despite its reasonable efforts to do so, regardless of whether such an obstacle is on the part of the Seller or another supplier. The aforementioned circumstances refer to e.g. epidemics, mobilisation, war, riots, operational failures, accidents, strikes, lock-outs, delayed or faulty sub-deliveries, official inaction and natural disasters;
- (v) an obstacle that could not be foreseen when the Contract was concluded;
- (vi) a delay of the Purchaser in paying the deposit, price (or part thereof) or any other receivable of the Seller, namely also any and all receivables arising from other obligations than the Contract;
- (vii) a delay of a third party on which the Seller's performance is dependent (including the Seller's subcontractors).

(each of the subparagraphs above (i)–(vii) hereinafter referred to as “**obstacle to perform**”).

- 3.3. If the Seller does not provide for transport, the Purchaser is not authorized to request the product or work to be handed over (dispatched) without a prior request to accept that the Seller will make at least 48 hours prior to date of delivery. The Purchaser is obliged to accept the product or work within the date specified in the request to accept.
- 3.4. The Seller is not obliged to pack the products or work for the needs of transport unless provided for otherwise in the Contract.
- 3.5. Unless expressly agreed otherwise, delivery of the products or performance of the work does not constitute a fixed obligation, meaning that in the case of a delay, the Contract does not automatically expire. In addition, the Purchaser cannot refuse part performance.
- 3.6. Minor defects that either alone or in combination with other defects do not prevent the products

or work to be used, shall not be a reason for refusal to accept performance.

- 3.7. The title to the products or work is transferred to the Purchaser on the date of payment of the price in full, including value added tax and any and all debts arising from the Contract. The risk of damage to the product or work is transferred to the Purchaser upon delivery of the product or handover of the work.
- 3.8. If the Purchaser fails to accept the product or work even within 5 working days as of the Seller's readiness to hand over the performance, the performance is regarded as delivered or handed over with all consequences (e.g. due date of the price, transfer of the risk of damage to the thing, obligation to inspect for defects, warranty period running, etc.).
- 3.9. Should the Purchaser fail to accept the product or work handed over with no legal defects, the Purchaser is obliged to pay to the Seller a fee for storage amounting to 1.5% of the price of a given product or work for each started month of storage. The Seller's entitlement to recover damages for damage sustained subsequently shall not be affected by the aforementioned provision. Should the Purchaser fail to accept the product or work in fact even within 6 months, the Seller is authorized, based on its decision, either (a) to discard the product or work at the expense of the Purchaser, or (b) to sell the product or work to a third party similarly as per conditions imposed by Section 2428 of Act No. 89/2012 Coll., the Civil Code, as amended, and the Seller will be entitled to a commission in the amount of 10% of the selling price (VAT exclusive) and the proceeds of such a sale will not be handed over before the Purchaser's request.

4. PRICE AND TERMS OF PAYMENT

- 4.1. Unless provided for otherwise, prices and payments are agreed VAT exclusive. Under these General Business Terms and Conditions or the Contract, the Seller is authorized to add to the price and any and all payments value added tax in the amount imposed by legal regulations effective at the time of taxable performance.
- 4.2. Unless provided for otherwise, the prices are agreed with no costs related to (i) packaging

materials and packing for transport, (ii) loading and unloading, (iii) transport, (iv) customs and similar fees, and (v) insurance. Should the Seller be required to provide such performance, the Seller is authorized to request from the Purchaser additional payment or request that the Purchaser pay such expenses directly.

- 4.3. The price is payable based on invoice within 14 calendar days as of delivery thereof unless agreed otherwise in the Contract or unless a later due date is specified in the invoice. The Seller is authorized to issue the invoice after the Contract is concluded. Where it is agreed that the Seller is authorized to issue the invoice later, the Seller is authorized to request a reasonable advance payment for the price and is authorized to request to be paid a pro rata part of the price for part performance as well.
- 4.4. The price and advance payment will be paid by bank transfer to the Seller's bank account specified in the invoice. If a variable and/or a specific symbol are provided in the invoice, the Purchaser undertakes to refer to these details when making the relevant payment. The date of the payment of the monetary consideration is the date on which the Seller's account is credited with the due amount.
- 4.5. The Purchaser agrees to invoices (tax documents) being issued and delivered in electronic form. The aforementioned provision does not exclude the Seller's right to issue the invoice in printed form.
- 4.6. Should the invoice fail to include essentials imposed by the applicable legal regulations, the liable party is authorized to refuse it, namely no later than within the due date of the refused invoice (however, no later than within 10 days as of delivery thereof). In the notice of refusal, the liable party will specify the defects of the refused invoice. In the case of proper and valid refusal of the invoice, the entitled party is obliged to issue a new regular invoice that will specify the new due date of the amount concerned.
- 4.7. Should the party authorized to receive the amount, inclusive VAT, become an unreliable payer as per Section 106a of Act No. 235/2004 Coll. to regulate value added tax, or where a different reason for the liable party's guarantee

is present as per Section 109 of the same act, the entitled party expressly agrees with returning the value added tax by the liable party directly to the tax administrator.

- 4.8. In the event of a delay in paying any invoiced amount, the Seller is authorized to request from the Purchaser to be paid a contractual penalty of 0.05% of the outstanding amount (exclusive of VAT) for each and every started day of the delay until the payment is settled in full. The contractual penalty does not exclude entitlement to damages up to the scope within which the damage sustained exceed the contractual penalty.
- 4.9. In the event of a delay on the part of the Purchaser in paying any due amount to the Seller or in the case of a significant deterioration of the Purchaser's financial standing (based on information available to the Seller), the Seller is authorized to suspend performance under any contract concluded with the Purchaser; in such a case the Seller will not be regarded as being in delay with performance.
- 4.10. Where costs required for delivery of the product or making the work increase after the Contract conclusion by more than 5% (raw materials, wages, energy, prices of subcontractors, transport etc.), the Seller is authorized to increase the price by the amount corresponding to increase in the costs. The Seller will notify the Purchaser of such a fact by a notice delivered to the Purchaser in which the Seller must provide reasons for the price increase.
- 4.11. If the price or advance payment is stipulated in a different currency than Czech crowns (CZK) and the foreign exchange rate of the currency for conversion to CZK is so different that the agreed amount expressed in CZK will decrease by more than 2%, the Seller is authorized to request to be paid the respective difference. The governing rate is that valid on the foreign exchange market of the Czech National Bank on the date of conclusion of the Contract and on the date of payment. Where the amount is agreed on in the framework agreement, the governing rate is that valid on the date of conclusion of the framework agreement and on the date of payment.

5. LIABILITY FOR DEFECTS, WARRANTY, AND COMPLAINTS

- 5.1. The Seller will provide the Purchaser with warranty for the product or work lasting:
- **12 months** with new products; and
 - **6 months** with co-operative production, service, repair, other work and other services.

The warranty period starts running as of delivery of the product or performance of the work. The warranty is to guarantee that the product or work will keep the agreed properties over the warranty period.

- 5.2. The warranty only covers defects in the products and works in which the conditions of correct storage, transport, professional installation, handling, use, maintenance, and operation were adhered to in accordance with (i) the Seller's instructions, (ii) the documentation of the product or work, and (iii) generally accepted principles in a given field. The essential instructions of the Seller that the Purchaser is obliged to familiarize itself are available:

- for HESTEGO a.s.:
on www.hestego.cz/ke-stazeni
(*Instructions for Installation and Maintenance – telescopic covers, disinfection stand*)
- for KSK Precise Motion, a.s.:
on www.ksk-pm.cz/ke-stazeni (*Terms and Conditions of Operation*)

- 5.3. The guarantee does not cover wearing parts and consumables (e.g. wipers, sliders, rollers, shock absorbers, "Z" bars).
- 5.4. The warranty will expire if a person other than the Seller, the Purchaser's employee trained by the Seller or another person authorized based on the Seller's written consent will interfere with the product or work or carry out servicing thereof.
- 5.5. In the case of a defect (covered by the warranty) the Purchaser must document the defect in a provable manner and inform the Seller thereof in writing (at least by e-mail), without any undue delay (however, no later than within 5 working days) as of the defect discovery or as of the moment when the Purchaser could/should have discovered it.

- 5.6. The notice of discovery of a defect (covered by the warranty) must include the following essentials:

- (i) the Contract identification;
- (ii) the specification of the product or work under complaint (including identification details if the product or a series of products are fitted therewith);
- (iii) information on the quantity of products where the defect was discovered (in the case where more pieces of the product were delivered), or otherwise quantified defectiveness of the products or work (where possible considering the nature of the defect);
- (iv) date of defect discovery;
- (v) description of the defect discovered, including its manifestation; and
- (vi) photographic documentation of the discovered defect (where the defect or its manifestations are visible).

Should the notice of defect discovery fail to include the aforementioned information, it will not be regarded as a proper notice of defect.

- 5.7. If the defect (covered by the warranty) is properly claimed by the Purchaser, then, depending on the Seller's decision, either (i) the product or work will be transported to the Seller's business premises where it will be subjected to tests to ascertain the existence of the defect, or (ii) the Purchaser must allow the Seller to attest the existence and origin of the defect on the Purchaser's premises. Subsequently, the Seller will provide its opinion on the complaint.

- 5.8. A properly notified defect (covered by the warranty) will be handled as follows:

- (i) The Seller will remove the defect (covered by the warranty) either by repair or by delivery of a new product or work or part thereof, depending on the Seller's choice. The Seller is obliged to remove the defect within 60 calendar days as of the written notice providing the Seller's opinion on the complaint.

- (ii) The Purchaser is entitled to request a discount on the price on the grounds of a defect (covered by the warranty) only where the Seller is in delay with the removal of the defect.
 - (iii) The Purchaser is authorized to withdraw from the Contract due to a defect only under the following conditions: (i) as a result of discovery of a defect not covered by the warranty, (ii) if the Seller is in delay with the removal of such a defect, (iii) if the Purchaser does not request a discount on the price, (iv) where the defect represents a substantial violation of the Contract, and at the same time (v) only within the scope of the products or functional part of the work to which the defect relates.
- 5.9. If the Purchaser discovers a defect (covered by the warranty), the Purchaser is obliged to immediately implement measures aimed at minimizing any further damage to the product or work, the Purchaser's property and also to prevent the occurrence of any other potentially related damage.
- 5.10. A visible defect is regarded as not properly notified of unless it was claimed without any undue delay after inspection carried out upon delivery of the products or performance of the work, and:
- (i) a visible defect (damage to the package, mechanical deformation, scratching, etc.) must be inspected, the Seller must document it by photographs and must be claimed upon the work acceptance in the delivery note or bill of lading (based on the moment of delivery);
 - (ii) a defect consisting in the absence of technical properties (required properties and usually checked properties considering a given product or work) must be checked no later than within 3 working days as of delivery of the product or performance of the work.
- 5.11. A latent defect cannot be claimed after expiry of the warranty period; where the warranty period failed to be agreed on, after expiry of 6 months as of delivery of the product or performance of the work. A defect covered by the warranty cannot be claimed after expiry of the warranty period.
- 5.12. If the Seller deals with a defect (covered by the warranty) subject to a late complaint to discuss its nature or removal, the Seller will not be deprived of its right to object on the grounds of late complaint of the defect.
- 5.13. The Seller is liable neither for defects in the products functionality nor for any damage resulting from the use of documents and materials supplied by the Purchaser. In the case of products that the Seller manufactures based on documentation, information, or materials provided by the Purchaser, the Seller is not obliged either (i) to check the correctness, suitability, and completeness of such documentation, information, or materials provided by the Purchaser, or (ii) whether the use and distribution of such products comply with conditions imposed by the applicable legislation. The Purchaser's documentation redrawn by the Seller for the purposes of manufacture is regarded as the Purchaser's documentation unless the basic concept of the product is not changed.
- 5.14. Each Party bears its costs incurred in relation to exercising its rights arising from defective performance. The Seller will bear the costs related to the transport of a defective product or work provided that a proper complaint of defect is concerned for which the Seller is liable. The Seller may request from the Purchaser to be compensated for costs incurred in relation to the assessment of a defect where the complaint of the defect is later ascertained as unauthorized.
- 5.15. Should the Parties be in dispute over the Seller's liability for a defect (covered by the warranty) and should the dispute be submitted to a court-appointed expert or a different expert for assessment, then (i) the costs related to such assessment will be borne by the Party whose opinion is not affirmed based on the assessment, and (ii) the time limit for the removal of the defect (covered by the warranty) will start running as of the date of delivery of the notice of assessment stating the Seller's liability for the defect.

6. INTELLECTUAL PROPERTY RIGHTS

- 6.1. If the products or part thereof are manufactured based on documentation provided by the Purchaser, the Purchaser undertakes, for the purposes of the Seller, to ensure the vesting of rights relevant with respect to the use of such materials up to the necessary extent and the Purchaser will also be liable for any or all damage (including loss of profits, compensation for costs of judicial proceedings, costs of legal representation, court and other charges) that the Seller may incur in connection with the use of such materials, in which case the Purchaser undertakes to compensate the Seller in full for any and all such costs. The Seller will not be liable for any infringement of the rights of another person in regard to any industrial or other intellectual property due to the manufacture and/or the use of the products in accordance with the documentation provided by the Purchaser as per any legal system in regard to which such infringement might occur.
- 6.2. The drawings, models, engineering documentation and any and all other technical information and materials handed over by and between the Seller and the Purchaser for the purposes of the manufacture and delivery of the products may not be used for any other purpose without a prior express consent of the Party that provided such materials by handing them over to the other Party. Such materials may not be, in particular, copied, or reproduced, nor may they be disclosed to any third parties without a prior written consent of the Party that provided materials concerned.
- 6.3. Unless the Parties expressly agree otherwise, all technological procedures and fixtures (such as moulds), documentation and technical information related to the manufacture of the products, with the exception of materials supplied by the Purchaser, represent the intellectual property of the Seller.
- 6.4. Where the subject-matter of the Contract is delivery of documentation (such as manufacturing documentation, etc.) or any other item of intellectual property, then the Purchaser will acquire a non-exclusive licence to use such a subject-matter of the Contract for the purpose arising from the item's nature.

7. CONFIDENTIAL INFORMATION AND DATA PROTECTION

- 7.1. Confidential information refers to the information in any form that a Party (receiving party) acquired from the other Party (providing party) in relation to the Contract and (i) such information is marked as confidential, or (ii) considering the nature of the information or circumstances, the receiving party must have appreciated that the providing party is interested in the protection of such information. The Seller regards as confidential the information on its prices, delivery terms, and specific terms and conditions stipulated in the Contract.
- 7.2. Information that (i) is generally known or available to the public for a reason other than a violation of the Contract, (ii) on the grounds of its nature is intended for disclosure (such as reference materials), or (iii) is or becomes known to the receiving party provably without the involvement of the providing party, is not regarded as confidential.
- 7.3. The Parties undertake not to disclose the other Party's confidential information to any third parties with the exception of (i) the Parties' employees, suppliers, and consultants where such disclosure is required for performance or exercising the Parties' mutual rights, and (ii) public authorities where required by applicable legal regulations. The receiving party is liable for adherence to confidentiality obligation on the part of the persons specified in subparagraph (i).
- 7.4. In addition, the Parties will not utilize confidential information for any other purpose than the fulfilment of their mutual obligations.
- 7.5. The confidentiality obligation and restriction on the use of confidential information for different purposes shall apply for the term of the Contract and 10 years after the Contract expires.
- 7.6. Where an individual non-disclosure agreement or data protection agreement is concluded by and between the Parties, such an individual agreement takes precedence over these General Business Terms and Conditions.
- 7.7. In relation to the Contract, the Seller may process personal data of persons on the part of

the Purchaser. The Purchaser undertakes to familiarize such persons with information of the such data processing:

- for HESTEGO a.s.:
www.gdprhestego.cz
- for KSK Precise Motion, a.s.:
www.ksk-pm.cz/privacy-policy
- for Dendera a.s.:
www.dendera.cz (the footer of the website)

8. COMMUNICATION AND SET-OFF

- 8.1. Written form of legal acts also refers to communication from the e-mail addresses that have been expressly agreed by the Parties or were employed repeatedly by the Parties in relation to communication concerning the Contract, and the manifestations of will delivered by fax. To make a legal act effective, the other Party must confirm the receipt of the e-mail or fax (either expressly or by reference to the e-mail/fax in the follow-up communication, or by reaction to the content of such an e-mail/fax in the follow-up communication).
- 8.2. The Purchaser is not authorized to set off its claims against the Seller on a unilateral basis.

9. LIABILITY FOR DAMAGE

- 9.1. In general, the Purchaser is authorized to request from the Seller to be compensated for damage sustained due to violation of obligations arising from the Contract. However, the Seller will not be liable for damage resulting from lost profit, losses sustained due to closure, interruption, or restriction of operations and increased costs related to operations.
- 9.2. With respect to any and all violations of obligations arising from or related to a specific Contract, the Seller's liability for damage is limited up to the agreed price of the products or work.

10. ADHERENCE TO SANCTIONS

- 10.1. By concluding the Contract, the Purchaser declares that it is neither a party subject to sanctions within the meaning of legal regulations of the Czech Republic, the European Union, the United Nations Organization, and the United

States of America, nor a party controlled by such a party.

- 10.2. With respect to the Contract and performance received from the Seller, the Purchaser undertakes to adhere to any and all sanctions imposed on persons, countries, or articles by legal regulations of the Czech Republic, the European Union, the United Nations Organization, and the United States of America.

- 10.3. In particular, the Purchaser undertakes to adhere to bans and restrictions imposed by the Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine, among others:

- (i) where the sale of the product or work, or transport thereof under the Contract is subject to Art. 12g of the Council Regulation (EU) No 833/2014, then the Purchaser will not sell, export or re-export such product or work, either directly or indirectly, to the Russian Federation or for use in the Russian Federation;
- (ii) where the Purchaser is provided a licence, intellectual property or trade secret ("know-how") and where such provision is subject to Art. 12g of the Council Regulation (EU) No 833/2014, then the Purchaser will not use such know-how in respect of the products or services that are intended, either directly or indirectly, for sale, delivery, transfer or export to the Russian Federation or for use in the Russian Federation;
- (iii) The Purchaser will make every effort to ensure that the sanctions specified in this subparagraph will not be frustrated in respect of the products or works or the Seller's know-how, not even by third parties. To adhere to the aforementioned obligation, the Purchaser, among other things, (a) will obligate persons further disposing of the product, work or know-how, to adhere to the same sanction, and (b) will establish and maintain a reasonable monitoring mechanism of adherence to sanctions; and

(iv) the Purchaser, if requested by the Seller, will inform the Seller of the fulfilment of obligations imposed by this subparagraph within a reasonable time limit.

10.4. A false declaration or violation of the obligation imposed by the previous subparagraphs of this Article is regarded as a material violation of the Contract as a result of which the Seller is authorized in particular (i) to withdraw from the Contract as well as other contracts concluded by and between the Parties, (ii) to suspend performance under the Contract as well as other contracts concluded by and between the Parties until the situation is remedied, and (iii) to request to be paid a contractual penalty of 25% of the price of the products or work (exclusive of VAT) without prejudice to the Seller's right to claim damages.

10.5. The Purchaser will inform the Seller in writing without any undue delay of a violation, imminent violation, or suspected violation of the obligation as per this article, even by third parties.

11. TERMINATION OF THE CONTRACT

11.1. The Contract may be terminated prior to its discharge in the following cases only:

- (i) based on a written agreement of the Parties;
- (ii) by withdrawal for agreed reasons;
- (iii) by the ways arising from applicable legal regulations unless the application thereof cannot be validly excluded.

11.2. If either Party has grounds for withdrawing from the Contract and these grounds can be remedied by the other Party, the entitled Party shall first request the other Party in writing to remedy the situation within a period of no less than 10 working days and notify the other Party of the possibility of withdrawal.

11.3. The Seller is entitled to withdraw from the Contract if (i) the Purchaser is in delay with the payment of any due receivable of the Seller for more than 30 calendar days; (ii) the Purchaser is in delay with the acceptance of the product or work or with the provision of other assistance necessary for the Seller's performance, (iii) the obstacle to perform lasts longer than 20 calendar days, (iv) the Purchaser

is bankrupt or enforcement proceedings have been initiated against it, or (v) the Purchaser otherwise materially violates its obligation.

11.4. The Purchaser is authorized to withdraw from the Contract if (i) the Seller is in delay with delivery of products or performance of the work for more than 30 calendar days, or (ii) there is an obstacle to perform and the Seller has not communicated the further course of performance to the Purchaser upon the Purchaser's written request.

11.5. Should the Contract be terminated due to an obstacle to perform, the termination shall not affect any part performance already completed.

11.6. If the Contract is terminated for any reason (withdrawal, invalidity, or otherwise), the Purchaser is obliged (i) to return any products or work already accepted within 3 days, (ii) to settle any and all costs incurred by the Seller in connection with the performance under the Contract to date, and (iii) to pay the difference in the value of the product or work upon delivery and its return due to damage, wear and tear, or lost marketability or difficulty in selling it to a third party. The aforementioned provision will not apply where the product or work cannot be reasonably returned. In such a case, the Purchaser is obliged to surrender unjustified enrichment in cash in the amount of the agreed price of the product or work within 3 days.

11.7. The Seller is obliged to return the already paid price within 14 days as of the return of the products or work; against this receivable of the Purchaser, the Seller is authorized to set off its not yet payable receivables as well.

11.8. In the case of a delay in returning the product or work or in surrendering unjustified enrichment on the part of the Purchaser, the Purchaser is obliged to pay a contractual penalty of 0.05% of the price of the product or work (exclusive of VAT) for each and every started day of delay. The contractual penalty does not exclude entitlement to damages up to the scope within which the damage sustained exceed the contractual penalty.

12. AMENDMENTS TO THE CONTRACT AND GENERAL BUSINESS TERMS AND CONDITIONS

- 12.1. The Parties accept the risk of change in circumstances.
- 12.2. The Contract may only be amended in writing.
- 12.3. Where the General Business Terms and Conditions are part of the framework agreement or the framework agreement includes a reference to the General Business Terms and Conditions, or the Contract regulates repetitive or regular performance, the Seller reserves the right to amend these General Business Terms and Conditions unilaterally within a reasonable extent. The Seller will inform the Purchaser of such amendments to the General Business Terms and Conditions at least 2 months prior to the effect of the amendment concerned. Should the Purchaser fail to agree with the amended General Business Terms and Conditions, the Purchaser is entitled to withdraw from the respective framework agreement or the Contract regulating repetitive or regular

performance as of the date of effect of the amended General Business Terms and Conditions.

- 12.4. Should any of the provisions of these General Business Terms and Conditions be or become ineffective, invalid or unenforceable, the Parties undertake to replace such a provision with a new one having the same or similar economic purpose. The other provisions of the General Business Terms and Conditions, Contract or framework agreement shall remain in effect.

13. GOVERNING LAW AND JURISDICTION

- 13.1. Business relationships between the Parties are governed by the rule of law of the Czech Republic. The Parties exclude the application of the Vienna Convention on Contracts for the International Sale of Goods (CISG).
- 13.2. All disputes arising from the Contract and in relation thereto that will not be remedied by negotiations between the Parties, will be decided by the courts of general trial jurisdiction of the Czech Republic with territorial competence based on the registered office of the Seller.