

General Business Terms & Conditions of Kablo Vrchlábí s.r.o.

I. Purpose of the General Business Terms & Conditions, Purchase Contract

- (1) The General Business Terms & Conditions (hereinafter referred to as the "**Conditions**") regulate the reciprocal rights and obligations of the company Kablo Vrchlábí s.r.o., having its registered office at: Českých bratří 509, 543 01 Vrchlábí, registered in the Commercial Register maintained by the Regional Court in Hradec Králové, Section C, File 38265, Identification No.: 05593174, Company Tax ID.: CZ05593174 (hereinafter referred to as the "**Supplier**") and customer which purchases goods from the Supplier (hereinafter referred to as the "**Customer**") as established in the case of the sale of the goods of the Supplier and the taking of individual products by the Customer according to the relevant (i) purchase contracts, (ii) acceptance of the Customer's order by the Supplier (hereinafter referred to as the "**Order Acceptance**"), (iii) framework contracts or (iv) similar contracts, orders or proposals, however always approved by the Supplier (hereinafter referred jointly to as the "**Purchase Contract**"), of which these Conditions are an inseparable part. These Conditions also apply to all future contractual agreements between the Supplier and the Customer.
- (2) The goods that will be the subject matter of the Purchase Contract are the goods, which are included in the current offer of the Supplier within its production program, as well as the goods of other producers supplied by the Supplier to its Customers (hereinafter referred to as the "**Goods**").
- (3) All terms and conditions of business of the Customer are hereby expressly excluded with respect to the transaction in question and the entire business relationship. Any terms and conditions of business of the Customer, which conflict with the Conditions shall not apply even if the Supplier has not expressly objected thereto and even if the validity of the Customer's terms and conditions is stipulated therein as an express condition for the conclusion of the contract in question. Any commercial practices or customs at variance with these Conditions shall not be valid. The Supplier's terms and conditions shall be deemed to have been approved by the conclusion of the Purchase Contract or, as the case may be, by acceptance of the Goods.
- (4) In the case of orders, a Purchase Contract is concluded only if the Supplier delivers the Order Acceptance to the Customer. If the Supplier does not respond to the Customer's order (regardless of the time limit specified therein), the Purchase Contract is not concluded. Customer's orders or other proposals for the conclusion of a Purchase Contract made orally (or by telephone) shall only be binding for the Supplier if they are subsequently confirmed by the Supplier in writing (e-mail is sufficient). The concluded Purchase Contract is binding for the Customer.

II. Selling prices and price-setting

- (1) The Supplier shall issue a price list forming the basis for the calculation of the selling price of the Goods (hereinafter referred to as the "**Selling Price**"). The Supplier's price list shall contain the so-called base prices for the individual types of Goods (hereinafter referred to as the "**Base Price**") and the type of the price expressing the method of Selling Price determination forming jointly the basis for the Selling Price calculation pursuant to Art. II. Paragraph (2) of the Conditions. The Supplier shall sell the Goods for the Selling Price determined in accordance with these Conditions unless the parties have agreed otherwise in writing. The Supplier shall be entitled to unilaterally change the price list and especially the Base Prices of the supplied Goods, the type of a price and the method of the Selling Price determination at any time. The Supplier has thereafter the right to proceed in accordance with Art. II. Paragraph (2) of the Conditions. The current price list shall be available on the Supplier's website and any

change therein shall be published no less than 14 days prior to the effective date of such change; the Customer shall either (i) accept the change in the price list by paying the price or its respective part or (ii) be entitled to make comments on such change within 3 days from receiving the Order Acceptance (see Art. II. Paragraph (3)).

- (2) There are two methods how the Supplier determinates the Selling Price of the Goods:
- (a) The Selling Price defined in the Supplier's price list for certain Goods as the "price type - P" shall equal the Base Price stated in the Supplier's current price list for such Goods reduced by a rebate provided by the Supplier. The Selling Price of this type shall already be known at the time of the Order Acceptance.
 - (b) The Selling Price defined in the Supplier's price list of relevant Goods as the "price type - B" shall equal the Base Price stated in the Supplier's current price list of such Goods reduced by a rebate provided by the Supplier and increased by the so-called "Metal Recalculation". The Selling Price of this type of the Goods shall be known only upon the delivery of the Goods to the Customer.
The Base Price shall be a component of the Selling Price in terms of this Subparagraph (b); shall be determined by the Supplier in its current price list, shall usually be based on the copper price of 50 CZK/kg and the aluminium price of 25 CZK/kg and shall already be known at the time of the Order Acceptance. The Base Price shall be set in CZK per one km of the Goods.
The Metal Recalculation is a component of the Selling Price in terms of this Subparagraph (b) and is based on the cost of metal reprocessing and transportation thereof to the Customer and on the price of the metal contained in the Goods at the time of delivery of the Goods to the Customer.
The Metal Recalculation values and the validity thereof shall be published regularly on the Supplier's website www.kablovrchlabi.cz. The Customer undertakes to familiarize itself with the Metal Recalculation values. To calculate the Selling Price in terms of this subparagraph (b), the Metal Recalculation value shall be entered in the Supplier's price list.
- (3) For the purposes of the Purchase Contract, for the Selling Prices, the methods of calculation of which stem from the written confirmation of a particular deal made out by the Supplier based on a Customer's written order and from the Supplier's current price list shall be relevant. This applies unless the parties agree otherwise in writing. The Selling Price shall be determined in CZK per 1 km of the Goods unless agreed otherwise. The Order Acceptance shall contain the specific data on the partial deal, in particular:
- (a) marking of the Goods according to the Supplier's specification;
 - (b) identification number of the Goods according to the Supplier's specification;
 - (c) the technical standard determining the characteristics of the Goods according to the Supplier's specification;
 - (d) quantity of the Goods;
 - (e) the Base Price indicated in the Supplier's current price list;
 - (f) the rebate provided by the Supplier;
 - (g) and the date of delivery of the Goods.
- Should there be a contradiction between the above data (a) to (g) and the Supplier's price list, the data (a) to (g) indicated in the Order Acceptance shall prevail. Other business conditions stated in the Order Acceptance shall not be binding upon the Supplier, unless the parties have agreed otherwise in writing. The Customer shall be obliged to examine the conditions arising from the Order Acceptance without undue delay (within 3 days at the latest) after receiving it. Should the Customer have objections to the data indicated in the Order Acceptance, it shall be obliged to enter into negotiations with the Supplier immediately after receiving the Order Acceptance. If no reservations are communicated by the Customer to the Supplier in the above mentioned period, the Customer shall be supposed not to object the Selling Prices in terms of the method of the determination thereof and the Selling Price is deemed to be agreed between the parties.
- (4) The parties agree that the Order Acceptance shall represent sufficient proof of the content and conditions of the particular Purchase Contract but any and all issues not

- regulated by the Order Acceptance shall be governed by these Conditions and the Purchase Contract.
- (5) If the settlement of the Selling Price in EUR is agreed, the price list of the Goods expressed in EUR and sent by the Supplier to the Customer shall be used. The Selling Price designated in the Supplier's price list as the "type price - B" shall be determined in a similar way as indicated in Paragraph 2 under subparagraph (b) of this Article except that the Base Price in EUR shall be based on the price of copper corresponding to 2 EUR/kg and the price of aluminium corresponding to 1 EUR/kg.
 - (6) The prices of other products shall be contractual. Prices shall always be indicated exclusive of VAT. The Customer shall bear all bank charges.
 - (7) The Customer has familiarised itself with list prices available on www.kablovrchlabi.cz. The Supplier may provide rebates and discounts to the Customer. The Customer shall be entitled to claim rebates or discounts only if agreed with the Supplier in another document in writing and if the Customer has fulfilled the conditions based on which the rebates and discounts have been set.
 - (8) The Selling Price shall not include the price of transportation packages which the Customer undertakes to pay together with the Selling Price pursuant to Art. III. of these Conditions. The prices of the transportation packages shall be indicated in the separate document "**Conditions for management of KV's transportation packages**".
 - (9) If the agreed delivery date is more than 8 weeks from Order Acceptance and the cost factors at the Supplier will increase, mainly as a result of increased labour costs, materials prices, etc. – the Selling Price will increase accordingly and the increase shall be deemed approved by the Customer. If it is an increase of more than 15% of the original Selling Price and the Supplier does not declare that it will deliver the Goods at the original Selling Price, the Customer is entitled to withdraw from the relevant order for which the Goods have not yet been delivered.

III. Terms of payment

- (1) The Customer shall pay the agreed Selling Price including the price of transportation packages and VAT (hereinafter referred to as the "**Final Price**") on the basis of a tax document - invoice issued by the Supplier by the bank transfer of financial means in the same currency as indicated in the tax document - invoice to the Supplier's bank account. No payment through cheques, bills of exchange or letters of credit are accepted by the Supplier unless otherwise agreed with the Customer in writing.
- (2) Unless otherwise agreed by the parties, the Final Price shall be payable within no later than 30 calendar days from the date of issue of the relevant invoice by the Supplier; the Supplier is entitled to issue the invoice not earlier than on the day the Goods were handed over to be transported to the place of delivery or the Customer accepted the Goods in the Supplier's place of business. Invoicing shall be made in compliance with the relevant legal regulations.
- (3) The Customer's obligation to pay the Final Price shall be deemed to be fulfilled on the day the financial means in the amount corresponding to the Final Price are credited to the Supplier's bank account indicated in the invoice issued by the Supplier.
- (4) The Customer undertakes to check the invoices issued by the Supplier. Any complaint or disagreement with the invoiced amount or the nature of the operations recapitulated in the invoices must be communicated to the Supplier within no later than 3 days from the day of receipt of the invoice by the Customer but not later than 30 calendar days from the date of issue of the invoice; otherwise the invoice shall be deemed to be approved. The Customer must support any invoice-related complaints or objections with written evidence.
- (5) The parties have agreed that the Customer is not entitled to unilaterally set off any of its receivables against any Supplier's receivable (especially the payment of the Final Price or a part thereof with appurtenances) without the prior written consent of the Supplier. The Supplier and the Customer have expressly agreed that the Supplier is

entitled to unilaterally set off any and all receivables from the Customer including monetary receivables against non-monetary ones and due receivables against undue ones. The Customer is not entitled without the prior written consent of the Supplier to retain any payment or its part by reason of counterclaims arising out of the defects of the Goods or out of any other reasons.

- (6) The Supplier is entitled to request a reasonable advance payment for the Final Price, and the Customer is obliged to provide it within no later than 5 days from the receipt of the Supplier's request. If the advance payment is not provided by the Customer, the Supplier is not obliged to perform the Customer's order and is at the same time entitled to withdraw from the Purchase Contract (Order Acceptance). The withdrawal from the Purchase Contract (Order Acceptance) does not prejudice the Supplier's right to claim the contractual penalty under Art. III. Paragraph (8) of the Conditions.
- (7) Any and all Customer's payments are made at the expense and risk of the Customer.
- (8) If the Customer delays with payment of the Final Price or a part thereof or with the payment of any other Customer's monetary claim due to the Supplier, the Supplier is entitled to claim a contractual penalty from the Customer in the amount of 0.03% of the amount due for each day of delay. The Supplier's right to claim damages in the full amount is not prejudiced by the payment of the contractual penalty. In the event of the Customer's delay under this paragraph, the Supplier is further entitled to make all future deliveries of the Goods subject to the payment of the Final Price in advance.
- (9) The Customer agrees that if it is in delay with payment of a an outstanding invoice - tax document for more than 60 days, and/or the Supplier withdraws from the Purchase Contract (Order Acceptance) due to Customer's failure to fulfil its duties, the Supplier may include the Customer, according to the identification data following from the wording of the Purchase Contract or the Order Acceptance, in the register of debtors or another similar register; beyond that, the Supplier is entitled to publish such information about the Customer. The Customer's duty to fulfil all obligations under the Purchase Contract is not deprived by such fact. If the Customer has more debts towards the Supplier, the Supplier is entitled to decide which of these debts are paid through individual payments.

IV. Packages

- (1) The Goods are delivered in transportation packages (drums, pallets, barrels, reels, etc.). The Customer purchases the transportation packages together with the Goods into its ownership at the prices indicated in the Supplier's price list. The "**Conditions for management of KV's transportation packages**" and the prices of the packages make part of the price list of the products and the Goods being sold and are publicly available on the Supplier's website (www.kablovrchlabi.cz). The Customer declares it is familiar with these documents.

V. Terms of delivery

- (1) The Supplier shall deliver the agreed Goods under INCOTERMS 2010 FCA clause, unless the parties agree otherwise in writing. The Supplier is entitled to perform also a partial delivery within the agreed delivery time as long as it does not charge the Customer any other additional costs. The place and term of delivery shall be indicated in the Purchase Contract, and the Supplier is entitled to deliver the ordered Goods or a part thereof anytime within the agreed term of delivery, i.e. previous delivery of the Goods is permitted.
- (2) The delivery date of the Goods shall be the day of handover of the Goods to the Customer or its contractual carrier (if the Customer ensures the transportation itself) or to the Supplier's contractual carrier or the day of delivery of the Goods into the Customer's consignment store (hereinafter referred jointly to as the "**Delivery of the Goods**"). However, the moment of the transfer of the risk of damage shall each time

- be the day of handover of the Goods to the first carrier to transport the Goods for the Customer (even if the transportation of the Goods is arranged by the Supplier).
- (3) Ownership of the Goods is passed to the Customer upon the full payment of the Final Price, according to Art. II and III of these Conditions. The Customer undertakes at its own expense to protect with due diligence the Goods, to which the Supplier has the ownership title, from damage, destruction, decrease or loss. The Customer undertakes to carry out timely and necessary maintenance or inspection of the Goods at its own expense.
 - (4) The Customer is entitled to process and monetize the Goods, to which the Supplier has the ownership title, within the rules of proper course of trade on its own behalf and for its own account; while doing so, the Customer is obliged to inform its customers to full extent about the Supplier's ownership title to the Goods. The Customer is not entitled to pledge or transfer the Goods, to which the Supplier has the ownership title, to a third party for the purposes of providing security. The Customer hereby assigns any claims of the Customer regarding the Goods, to which the Supplier has the ownership title, which arise to the Customer from the following sale or any other legal title, to the Supplier for the purposes of provided security right now free of charge to full extent and with all accessories, and the Supplier hereby accepts this assignment. The Supplier hereby authorizes the Customer to cash at its own expense any claims of the Customer also at the time after the advance of these claims. The Supplier is entitled to withdraw this authorization at any time. The Customer is obliged to inform the customers about the advance of the Supplier's claims against these customers. Upon the Supplier's request, the Customer is obliged to provide the Supplier with a precise list of assigned claims, including the names, addresses and other identification data of its customers, the amount of individual claims and the date of the relevant invoice. In addition, the Customer shall provide the Supplier with any information that may be required in order to assert claims.
 - (5) It shall not be deemed to be a breach of the Supplier's duties if the quantity of the Goods supplied varies by max. $\pm 5\%$ from the originally agreed quantity or if the Goods have only minor defects. In such a case, the Customer shall not be entitled to refuse to accept the Goods. The Customer shall each time pay the Final Price adjusted by the Supplier depending on the actually supplied quantity of the Goods.
 - (6) The Customer is obliged to accept the Goods at the place of delivery and put it through an inspection (in particular technical inspection) without delay. If the Customer does not accept the Goods, the Supplier is entitled to charge, besides the Final Price of the Goods, also a contractual penalty for a breach of such Customer's duty (to cover especially the flat costs of storage of the Goods) in the amount of 5% of the Final Price of the non-accepted Goods for each commenced week in which the Customer was in delay. The payment of the contractual penalty shall not prejudice the Supplier's right to claim damages in full. If the risk of damage to the Goods has not yet passed to the Customer, it shall pass to the Customer at the moment of the Customer's delay in accepting delivery of the Goods.
 - (7) The supply includes the relevant documentation pertaining to the Goods: the delivery note in three (3) counterparts and other documents specially agreed on in the Purchase Contract. The delivery note will be drawn up in the Czech language and it will usually contain the designation of the Supplier, Customer and carrier, the date of issue, the date and place of Delivery of the Goods, the Purchase Contract number, the order number, the number of the Goods indicated in the Order Acceptance, the name of the Goods, the number of the Supplier's Goods, the quantity of the Goods and the information about packages.
 - (8) Upon the Customer's written request, the Supplier shall inform the Customer of the handover of the Goods to the first carrier on the day of the handover of the Goods by sending him (via e-mail for example) a copy of the delivery note in which the handover of the Goods to the first carrier will be indicated.
 - (9) The Supplier shall receive one counterpart of the delivery note and the carrier shall keep two signed copies of the delivery note; when handing over the ordered Goods to the Customer the carrier shall hand over, together with the Goods, one copy of the

delivery note duplicate to the Customer. Such copy will make part of the documentation pertaining to the Delivery of the Goods. When accepting delivery of the Goods, the Customer is obliged to confirm the acceptance of the Goods in one delivery note duplicate and send/hand over such confirmed delivery directly or via the carrier to the Supplier.

- (10) The Customer is entitled to arrange its own transportation of the Goods and accept the Goods in the Supplier's place of business without any written agreement required. The Customer is obliged to agree a date and time of the loading of the Goods on its own vehicle with the Supplier's dispatching department. It is not possible to pick up the Goods at the Supplier's dispatching department until the date and time of the loading of the Goods is confirmed by the Supplier.
- (11) If the Supplier is unable to adhere to the date of Delivery of the Goods provably as a result of vis major (state intervention, wartime measures, strike, etc.) and informs the Customer of the occurrence of vis major without delay, the date of Delivery of the Goods is extended into the future by the period of duration of vis major. The parties shall agree on a new date of Delivery of the Goods once the obstacle of vis major is no longer in existence.
- (12) If the Supplier is unable to meet the Delivery deadline for reasons other than force majeure, if the delay lasts more than 15 days, and the Customer proves that it has incurred damage as a result of such a delay, the Customer is entitled to a contractual penalty of 0.03% of the price of the delayed Goods for each day of delay; thus, the right to compensation for damage incurred as a result of a delay in delivery of the Goods to the maximum extent permitted by the relevant legal regulations is excluded.
- (13) The Supplier is authorised to refuse or suspend the delivery of Goods to the Customer if the Customer is in delay with the discharge of any obligation towards the Supplier, if the Customer is in liquidation, if bankruptcy proceedings have been commenced on the Customer or if there are justified fears that the discharge of obligations (also currently outstanding obligations) by the Customer is seriously at risk. The Supplier has the same right in the case that the Customer is in delay with the discharge of its obligation towards undertakings with which the Supplier is connected by capital or which otherwise relates to the Supplier's group of companies.
- (14) If no special technical conditions are negotiated in the Purchase Contract, the Goods are delivered in the quality and design specified in the Purchase Contract, the catalogue list or the price list, otherwise in the quality and design suitable for the purpose evident from the Purchase Contract; otherwise for the usual purpose. By sending its order, the Customer confirms that it has become familiar with the technical characteristics of the Goods. The Supplier reserves the right to make any changes to the specification of the Goods, within acceptable tolerances and, where applicable, in compliance with applicable safety or other legal requirements.
- (15) The Supplier has the right of ownership and intellectual property right (as copyright) to all its offers or estimates, as well as to all drawings, samples, parts, models, tools, calculations and other documents provided to the Customer. The Customer may not make these items available to third parties, publish them, use them directly or through third parties or copy them without the prior express consent of the Supplier. At the Supplier's request, the Customer is obliged to return these items and destroy all copies made.

VI. Withdrawal from the Purchase Contract

- (1) Once the Purchase Contract is concluded or Order Acceptance is issued, the Customer may cancel or change the order or whole/partial supply only with the written consent of the Supplier. If cancelling the order or whole/partial supply the Customer is obliged to pay the costs actually spent by the Supplier; such costs will be assessed by the Supplier in its written confirmation.
- (2) The Supplier and the Customer consider only the following facts constituting the right to withdraw from the Purchase Contract as a substantial breach of the Purchase

Contract (mutual relationship):

- (a) The Supplier is entitled to withdraw if the Customer is in delay:
 - (i) with payment of the Final Price or its part by more than ten (10) calendar days from the Final Price payment due date; or
 - (ii) with acceptance of the Goods upon delivery by more than three (3) calendar days after the agreed delivery date.
 - (b) The Supplier is entitled to withdraw if:
 - (i) the Customer fails to fulfil any of its obligations under these Conditions or the Purchase Contract;
 - (ii) the Customer violates its representations and/or confirmations specified in these Conditions or the Purchase Contract;
 - (iii) any Customer's representations and/or confirmations specified in these Conditions or the Purchase Contract prove to be false;
 - (iv) insolvency or any other legal proceedings against the Customer impacting its assets have been commenced.
 - (c) The Customer is entitled to withdraw if the Supplier delays with the Delivery of the Goods under the Purchase Contract by more than sixty (60) days, but only if the delay has been caused by the Supplier.
- (3) The withdrawal from the Purchase Contract becomes effective upon the delivery of written notice to the other party.
 - (4) Without prejudice to the provisions of this Article, neither of the parties is entitled to withdraw from or terminate the Purchase Contract or the Order Acceptance for any reason that is not specified in these Conditions. The parties undertake not to use within this meaning any directory legal provisions giving them the right to withdraw from or terminate the Purchase Contract (the Order Acceptance).
 - (5) If either party withdraws from the Purchase Contract, the Customer is obliged to return all Goods and packages which have not been paid in full to the Supplier without undue delay. The withdrawal has, pursuant to the provision of Section 2005 Subsection 2 of the Act No. 89/2012, the Civil Code, as amended (hereinafter referred to as the "**Civil Code**"), no impact on the duty to pay a contractual penalty, and further, on the duties which are to last even after the extinction of the Purchase Contract, especially the right to claim the damages. The withdrawal is without prejudice to security for Supplier's receivables from the Customer or the inclusion of the Customer's details in the register of debtors including (if applicable) the Customer's consent to the publication of the details pertaining to him.

VII. Quality warranty

- (1) The Supplier hereby provides the quality warranty, i.e. the Goods supplied will be fit for their intended purpose for the duration agreed and that the Goods will have the agreed long-term characteristics and specifications. This is without prejudice to Article V. para. 14 of these Conditions.
- (2) Unless otherwise agreed, the warranty period is 12 months from the day of Delivery of the Goods, subject to the condition that the Customer complies with the terms and criteria defined in the technical specification pertaining to the Goods during the whole warranty period. If the Customer fails to comply with these conditions, the Supplier does not provide any warranty. The warranty is provided only to the Customer and is not transferable or assignable.
- (3) The warranty shall not apply to damage caused by using unsuitable accessories or inappropriate materials with the Goods, either by the Customer or a third party.
- (4) Apparent defects (visible to the eye) shall be claimed immediately after the Customer had the opportunity to inspect the Goods, but no later than 14 days after the moment when the risk passed to the Customer. Hidden defects shall be claimed immediately after the Customer detects them or could have detected them and should have if the Customer proceeded with due diligence; otherwise, the Goods are deemed to be

- approved and free from defects. This also applies if the Customer fails to accept the Goods in full, in part or on time.
- (5) Goods for which defects have been reported or which are clearly defective may not be processed or used by the Customer. If the Customer breaches this obligation, the Supplier is not liable for damages caused by installation or other use. In such a case, the Customer shall also bear (or the Contractor shall indemnify the Contractor for) any additional costs incurred in the event of the removal of defects due to installation or other use.
 - (6) The Customer also undertakes to accept the Goods for which a defect was reported and to store the Goods carefully at its own expense. The Customer is obliged to handle the Goods according to the Supplier's instructions, e.g. return the defective Goods to the Supplier. Refusal of the entire delivery of Goods in the case of a defect affecting only part of the delivery is excluded. The person authorised by the Supplier must always be able to inspect the Goods for which a defect has been reported.
 - (7) If a certain quality of the Goods is agreed, deviations from this quality are only a minor defect if the Goods are usable for the purpose intended under the Purchase Contract. In such a case, claims for damages and withdrawal from the Purchase Contract relating to such defect are excluded.
 - (8) If the Goods are manufactured in accordance with information or drawings supplied by the Customer or in accordance with the Customer's design or specifications, or if the Supplier's standard Goods are modified in accordance with the Customer's instructions, the Supplier shall not provide the Customer with any warranty with regard to the functionality, performance, safety or other characteristics of the Goods. In addition, the Customer shall indemnify the Supplier for any Goods infringing any intellectual property, patents, registered designs and copyrights or provisions of any applicable law.
 - (9) The Goods are manufactured by the Supplier according to the Purchase Contract. The Customer is responsible for any technical or other changes required by the Customer after the conclusion of the Purchase Contract and shall be liable for any resulting damage.
 - (10) The warranty does not apply to the defects of material delivered by the Customer or defects caused by this material.
 - (11) The Supplier assumes no responsibility for any damage due to acts of third parties.
 - (12) If a review of the defect notices reveals that no warranty case exists, the Supplier shall be entitled to demand compensation for all expenses and costs of any type incurred by it.
 - (13) No liability for defects covered by the warranty shall arise against the Supplier if the defects have been caused by:
 - (a) normal wear and tear, unskilled installation, change, adjustment or repair, adjustment or repair without the Supplier's prior written approval, improper or negligent treatment, use after delivery or by any use or handling of the Goods contradicting applicable technical standards, professional knowledge and industry practices or otherwise than as recommended by the Supplier, failure to follow the Supplier's instructions;
 - (b) external circumstances such as temperature, chemical or mechanical damage if it occurred after the transfer of risk of damage to a thing / Goods to the Customer;
 - (c) any act(s) of God or by any accidental or abnormal operation of the Goods;
 - (d) the Customer or any third party after the transfer of a risk to the Customer;
 - (e) improper or inappropriate storage, handling, etc. by the Customer or any other individual with the exception of the Supplier.
 - (14) If the Customer requires a check, inspection, audit or other similar review at the Supplier's premises, such a review shall only be possible upon prior written agreement with the Supplier. The Customer is obliged to compensate the Supplier for all costs,

losses and harm (including lost profits) incurred as a result of such a review.

VIII. Intellectual property rights

- (1) If the delivery includes a product protected by intellectual property rights, the parties undertake to proceed in accordance with this Article.
- (2) The Supplier shall not be obliged to transfer or assign any intellectual property rights to the Customer and these rights shall continue to belong to the Supplier, unless the parties agree otherwise in writing.
- (3) The Supplier shall provide the Customer with the right to use of the Goods, provision of a sub-licence, use of the Goods for its integration into other products, or distribution, as determined by the Supplier and to the extent necessary for the undisturbed use of the Goods in accordance with the Purchase Contract.

IX. Claims resulting from defects of the Goods

- (4) The Customer is obliged immediately upon the takeover of the delivered Goods to inspect the Goods and inform the Supplier in writing about any defects he discovered during such inspection. If the delivery contains defective Goods, the Customer is entitled to request only either the delivery of substitute Goods in place of the defective Goods or the removal of the defects on the Goods by repairing the Goods or a reasonable discount. The Customer is not entitled in the case of delivery of defective Goods to request any correction options other than those stated in this Paragraph. The Supplier has the right to refuse the possibility of rectification if and while the Client is in default of payment of its obligations arising from any relationship with the Supplier. The Supplier shall have the right of retention for Goods received for the purpose of repair until the final price is paid. The Customer is obliged to notify the Supplier in writing of any defects within ten (10) days from detecting the defect otherwise the Customer's right to claim the Supplier's warranty expires. Paragraph VII (4) shall not be jeopardized.
- (5) Unless the parties agree otherwise, the Customer is obliged to appear in the Supplier's place of business to discuss the defects without undue delay. The Customer may not handle the Goods in a manner that would make the inspection of the claimed defects more difficult or impossible.
- (6) Notwithstanding any other provision of the Purchase Contract, the parties have agreed in the maximum extent permitted by applicable law that if liability (especially liability for damage, harm, losses, contractual penalties, costs, fees, charges, expenses) arises against the Supplier, the Supplier's total cumulative liability from all causes of action and under all cases of liability shall not exceed in aggregate 10% of the Final Price of the delivered Goods on the basis of the relevant supply. The Supplier shall not be liable for the loss of earnings of the Customer or third parties, for the loss of profit or for other associated consequential or indirect damages, losses, costs, fees, charges and expenses, or for unforeseeable damage. To the extent specified in these Conditions (especially in this paragraph), the Supplier shall be obliged to pay only such costs, fees or expenses that were reasonably incurred and are fully documented. Besides the statutory grounds for liberation with respect to damages to be paid to the Customer, the Supplier shall not further be liable for a breach of its duties if such breach was caused by delay or by any other breach of the duties of its suppliers (however the Supplier is obliged to choose its suppliers with due care and diligence).

X. Handling of cable waste and Packaging Management

- (1) The cable products scraps, used products and end-of-life products, which the Customer

decides to discard are classified in terms of Act No. 185/2001 Coll., on waste, as amended, and of the relevant waste catalogue (implementing decree No. 93/2016 Coll.) under catalogue number 170411 as waste without hazardous properties. The waste is handed over to an authorised person for disposal.

- (2) The packages launched by the Supplier are ensured, in terms of Act No. 477/2001 Coll., on packaging, as amended, by a contract with the authorised packaging company EKO-KOM, a.s. under client's number EK-F00170028.

XI. Force majeure

- (1) Force majeure refers to be extraordinary circumstances which prevent the Supplier from fulfilling its obligations arising from the Purchase Contract or the Order Acceptance, occurred beyond the control of the Supplier and could not be averted by the Supplier or the Customer, including failure by the Supplier's carrier. Should force majeure circumstances arise making thus fulfilment of the duties of the Supplier of its carrier impossible, the Supplier shall have, besides the right to reasonably extend the delivery time of the Goods, to withdraw from the Purchase Contract (Order Acceptance) without liability to damages towards the Customer in both cases. It is impossible for the Customer to be released from fulfilling its financial obligations by referring to force majeure.

XII. Delivery of documentation

- (1) Unless otherwise agreed in the Purchase Contract, the delivery under these Conditions shall be deemed to be the handover of a consignment to the other party by either personal service or mail to the address of the other party's place of business indicated in the Commercial Register. A consignment shall be deemed to be duly delivered:
 - (a) upon acknowledgement of receipt of the consignment by the recipient for consignment delivered by personal service; if the recipient rejects taking delivery of the consignment, the consignment shall be deemed to be duly delivered upon such rejection;
 - (b) on the third business day of the dispatch date for consignment sent through a mail service operator;
 - (c) on the date of dispatch of the document into the recipient's official data box.

XIII. Non-Disclosure

- (1) The Customer is obliged to maintain confidentiality with regard to all facts which are disclosed to it, transferred to it, communicated to it or which are otherwise known to the Customer in any way pursuant to or in connection with the Purchase Contract or the contractual relationship established by the Purchase Contract, in particular with regard to all facts relating to the Supplier, its employees and its customer, regarding the technical and organisational facts of the Supplier or of its customers, commercial relations and the balance situation of the Supplier and of its customers and regarding the orders carried out by the Supplier, regarding the manner, extent and content of such orders, and the Customer undertakes not to communicate or disclose such facts and information to third parties and/or to use such facts and information to its own benefit or to the benefit of third parties. These obligations remain even following the expiration of the force of the Purchase Contract entered into by and between the Customer and the Supplier. In the case of a breach of this duty by the Customer, the Supplier may claim a contractual penalty in the amount of CZK 1,000,000. The payment of the contractual penalty shall not prejudice the Supplier's right to claim damages.
- (2) The obligation to maintain confidentiality according to the preceding paragraph of these Conditions also applies to all facts which fall within the area of trade secrecy in accordance with Section 504 of the Civil Code, in particular to all facts of a commercial,

production-related and technical nature, in tangible and intangible form, relating to the Supplier and to its customers, its know-how, its technical solutions, strategic plans, commercial plans and balances, designs and procedures and to all other facts associated with the Supplier and/or with its customers having real or at least potential material or non-material value to the Supplier and/or to its customers.

- (3) The Customer undertakes to ensure that all its employees and third parties it has provided such information (if the Customer was allowed to provide them such information) to also observe the non-disclosure duty set forth in this Article.
- (4) Unless otherwise agreed between the parties, the information provided to the Supplier is not confidential.

XIV. The sale of goods outside the territory of the Czech Republic

- (1) If Goods are delivered abroad and the shipping of Goods outside the territory of the Czech Republic is ensured by the Customer, or its contractual carrier, the Customer is obliged to present to the Supplier written confirmation of the fact that the Goods actually left the territory of the Czech Republic, and to do so not later than 30 days following the date of dispatch of the Goods from the warehouse of the Supplier. Written confirmation is understood to be a CMR shipping note, a delivery note with confirmation of the state of the recipient or the written solemn declaration of the Customer or of another authorised person (the carrier) that the Goods were physically transported outside the territory of the Czech Republic. Should the Customer fail to discharge this obligation, the Customer undertakes to pay the Supplier a contractual penalty equaling the amount of value added tax according to the relevant legal regulations on the total price of the concerned delivery of Goods according to the Purchase Contract which were to have been delivered outside the territory of the Czech Republic plus Supplier's administrative costs in the amount of CZK 10,000. In the case of additional assessment of value added tax on the Supplier by the competent tax administrator, the Customer is, in addition to the contractual penalty specified in the preceding sentence, obliged to pay the Supplier all interest and penalties additionally assessed on the Supplier by the tax administrator and all other costs and damage incurred by the Supplier.
- (2) The Supplier may also retrospectively demand from the Customer confirmation of the fact that a delivery left the territory of the Czech Republic, not later than within 4 years of the handover of the Goods to the Customer, or to a carrier.

XV. Personal data processing

- (1) The parties, as personal data controllers within the meaning of the General Data Protection Regulation (EU) 2016/679 (GDPR), shall process personal data obtained from the other party and their representatives for the purpose of the negotiations on the conclusion and performance of the Purchase Contract in accordance with the rules laid down in GDPR and in accordance with these Conditions.
- (2) The processing subject is personal data of the other party, its representatives, employees, co-workers or members of statutory bodies (hereinafter referred to as "**Data Subjects**"), in particular: (i) identification data (especially name and surname, job) and (ii) contact details (in particular e-mail address and telephone number).
- (3) Personal data of the Data Subjects shall be processed by the parties to the extent necessary for the performance of their obligations under the Purchase Contract, the exercise of their rights, the fulfillment of legal obligations and the related business communications.
- (4) Supplier's principles of personal data processing are available on the website www.kablovrchlabi.cz.

XVI. Final provisions

- (1) The rights and benefits provided by the Supplier to the Customer under these Conditions and the Purchase Contract apply only to the Customer and not to other entities in the Customer's group if the Customer belongs to a particular group. The rights or benefits provided in this manner do not establish any rights, benefits or claims of the Customer for similar cases in the future. These Conditions, and the Purchase Contract, are governed by the laws of the Czech Republic. If the Customer is a person of a foreign law, the parties hereby exclude the applicability of the UN Convention on Contracts for the International Sale of Goods (adopted by Act No. 160/1991 Coll.).
- (2) In the event of any discrepancy between these Conditions and the Purchase Contract, the provisions of the Purchase Contract shall prevail. In the event of any discrepancy between other documents applicable for the relevant relationship and the Purchase Contract, the provisions of the Purchase Contract shall prevail.
- (3) Unless otherwise agreed in the Purchase Contract, all disputes arising out of or relating to the Purchase Contract or these Conditions shall in the first place be solved by the parties in common negotiations. If the parties are not able to find an amicable solution within reasonable time, then the dispute shall be submitted to the relevant court in place, where the Supplier has its seat.
- (4) The Customer declares that it has familiarised itself with any and all documents to which these Conditions refer and agrees with the wording thereof.
- (5) The parties agree that the application of Section 557 of the Civil Code is excluded and declare that the terminology used in the Purchase Contract may not be assigned different interpretation. Also, the parties agree that the application of section 1754 of the Civil Code is excluded.
- (6) The Customer's response containing an amendment or a deviation in terms of Section 1740 Subsection 3 of the Civil Code is no acceptance of the Supplier's offer to the conclusion of the Purchase Contract, although this does not significantly change the conditions of the offer.
- (7) It is excluded that any rights and obligations being inferred beyond the framework of the express provisions of the Purchase Contract from the existing or future practice established between the parties or the usage maintained generally or in the industry relating to the subject matter of the performance of the Purchase Contract, unless otherwise expressly stated in the Purchase Contract or these Conditions.
- (8) None of the Customer's rights or obligations arising from the Purchase Contract and/or these Conditions may be assigned or transferred without the prior written consent of the Supplier. The Customer's or the Supplier's option of using third parties for the transportation of the Goods and/or transportation packages shall not be prejudiced thereby.
- (9) The Supplier has concluded standard liability insurance in the usual extent with a reputable insurer. The Customer cannot become another insured party next to the Supplier and any restriction of the insurer's subrogation claims against the Customer is also excluded.
- (10) The Customer assumes the risk of changes in circumstances within the meaning of Section 1765/2 of the Civil Code, as amended.
- (11) Any deviations from these Conditions must be agreed in writing (such as the conclusion of the Purchase Contract).
- (12) The Supplier may change the present Conditions at its discretion. However, the Supplier must familiarize the Customer with any change of the Conditions without undue delay by publishing such changes on its website www.kablovrchlabi.cz no less than 5 days before the changes take effect. Any change in the Conditions is accepted after the expiry of 5 days from the publication thereof by
 - (a) a written confirmation of the Customer from which its consent to the change in the Conditions follows; or
 - (b) paying the agreed Selling Price or a part thereof for the Goods supplied; and/or
 - (c) placing an order for the Goods by the Customer; and/or
 - (d) accepting ordered Goods, or, more precisely, by accomplishing the Delivery of

the Goods under Art. V. Paragraph (2) of the present Conditions.

- (13) The Customer hereby agrees to extend, in compliance with the provision of Section 630 of the Civil Code, the statutory limitation period on Supplier's rights available in connection or arising out of the Purchase Contract including the right to withdraw from the Purchase Contract to a period of 10 years from the day when the statute of limitations first begins to run.
- (14) In the case of a change in the composition of the Customer's company body or the Customer's members, the Customer is obliged to notify in writing the Supplier of such fact within 10 days after making such change. The breach of such duty by the Customer shall be deemed to be a fundamental breach of the Purchase Contract, and the Supplier may withdraw from the Purchase Contract. Irrespective of whether the Supplier uses its right to withdraw or not, the Supplier is entitled to claim, even repeatedly, a contractual penalty in the amount of CZK 100,000 from the Customer for each individual breach of the duty under this Paragraph. The payment of the contractual penalty shall not prejudice the Supplier's right to claim damages.
- (15) Should any of the provisions of these Conditions be or become invalid, ineffective or unenforceable, the validity, effect and enforceability of other provisions of these Conditions shall not be prejudiced by such fact. The parties are obliged to provide each other with mutual collaboration in order to replace the invalid, ineffective or unenforceable provision with a new provision with the invalid, ineffective and unenforceable provision to the best extend possible of these Conditions. The same applies to contractual loopholes.

These Conditions become effective on 2020-03-01.