

# TOSHULIN

## Purchasing Terms and Conditions of TOSHULIN, a.s.

Having its registered office in Hulín, Wolkerova 845, postal code 768 24, Czech Republic, Comp. Reg. No.: 255 10 851, registered in the Commercial Register kept by the Regional Court in Brno, under Section B, file No. 2455

### 1. Introductory provisions

These Purchasing Terms and Conditions (hereinafter referred to as the “**Purchasing Terms and Conditions**”) of TOSHULIN, a.s., having its registered office in Hulín, Wolkerova 845, postal code 768 24, Czech Republic, Comp. Reg. No.: 255 10 851, registered in the Commercial Register kept by the Regional Court in Brno, under Section B, file No. 2455 (hereinafter referred to as the “**Buyer**”), define the rights and duties of the Contracting Parties and any legal regulations arising from a purchase contract concluded pursuant to the provisions of Sections 2079 et seq. of Act No. 89/2012 Coll., the Civil Code, as amended (hereinafter referred to as the “Civil Code”) or from a general purchasing agreement concluded pursuant to the provisions of Section 1746(2) of the Civil Code between TOSHULIN, a.s. as the Buyer and another party as the Seller (hereinafter referred to as the “**Seller**”) (hereinafter referred to as the “Purchase Contract”). In the event that the provisions of the Purchase Contract differ from the provisions of these Purchasing Terms and Conditions, the arrangements made in the Purchase Contract shall prevail over the arrangements made in these Purchasing Terms and Conditions. These Purchasing Terms and Conditions shall prevail over those provisions of the law which are not mandatory.

### 2. Purchase order, Purchase contract

Individual Purchase Contracts shall be concluded by sending a written purchase order to the Seller. A written purchase order is also a purchase order sent by e-mail, fax or similarly to the usual or publicly accessible contact information, without the need to attach a certified electronic signature or equivalent identification. Together with the first order, the Buyer shall send the Purchasing Terms and Conditions to the Seller. In any subsequent purchase orders, it is possible to only include the Purchasing Terms and Conditions by reference. The Purchasing Terms and Conditions are accepted by the Seller by accepting the first purchase order concluded under the Purchasing Terms and Conditions. The rights and obligations of the Contracting Parties shall be governed by the Purchasing Terms and Conditions when any subsequent purchasing order referring to the Purchasing Terms and Conditions is accepted. The Purchase Contract shall be deemed concluded if the Seller confirms the purchase order in writing (by mail, e-mail even without a certified electronic signature, by fax, etc.) and without reservations. A purchase order shall be deemed accepted also if the Seller otherwise shows its willingness to accept the purchase order and deliver the Performance (orally, implied action, etc.). If the Seller has any comments on the Buyer's amendments or changes to the wording, such comments shall be deemed a new draft of the Purchase Contract. As regards the conclusion of a Purchase Contract, the Contracting Parties hereby exclude the application of Section 1740(3) and Section 1751(2) of the Civil Code providing that a purchase contract is concluded also if the expressions of will by the Contracting Parties are not fully identical. A purchase order approved by the Seller must include at least a description of the Performance, the price for the Performance, the delivery period, the payment terms and conditions, as well as the method and price of transport of the Performance. The Buyer may withdraw the purchase order until it is accepted by the Seller in writing.

### **3. Subject-matter of the contract**

The Seller undertakes to deliver to the Buyer to goods and/or services (hereinafter referred to as the "**Performance**") specifically described in the Purchase Contract, in the agreed quantity, quality and workmanship, and to allow the Buyer to acquire the ownership to such Performance. The Seller is obliged to hand over to the Buyer, in time, all documents necessary for the acceptance and use of the Performance so that the Buyer is able to accept and freely dispose of the Performance at the time of its arrival to the place of destination. Any additional documents, the submission of which is agreed in the Purchase Contract, shall be handed over by the Seller to the Buyer upon delivery of the Performance at the place of destination. The Buyer undertakes to accept the duly delivered Performance and pay the purchase price for the Performance to the Seller. The ownership to the Performance and the risk of damage to the Performance shall pass on the Buyer upon proper and due delivery of the Performance from the Seller, unless stipulated otherwise in the Purchase Contract. Unless provided for otherwise in the Purchase Contract, the terms and conditions of DDP under the INCOTERMS 2010 international rules issued by the International Chamber of Commerce in Paris shall apply for the delivery of the Performance.

### **4. Quantity, workmanship, packaging**

The Seller's obligation to supply to the Buyer the agreed quantity of the Performance and the Buyer's obligation to buy the agreed quantity of the Performance shall be considered to have been met if the quantity of the Performance actually delivered and bought does not differ from the quantity of the Performance agreed in the Purchase Contract.

The Seller is obliged to package the Performance or make the Performance ready for transport in such a manner as agreed in the Purchase Contract and, where such manner is not specified, in a manner typical for such Performance in commercial relations or, where such a typical manner cannot be determined, in the manner necessary to preserve and protect the Performance.

### **5. Period of performance**

The delivery period for the Performance shall be specified in the Purchase Contract. Deliveries before the agreed delivery date or partial deliveries of the Performance can take place with the Buyer's consent only. Any deliveries arrived prematurely which were not approved by the Buyer will be rejected or stored at the Buyer's premises at the Seller's expense. The Seller is obliged to take, at own expense, any and all measures necessary to meet the agreed delivery period and quality.

If the Seller fails to deliver the Performance by the mutually agreed and approved delivery date, the Seller shall compensate the Buyer for all related damage in full, in particular any extra costs, subdeliveries, alternative deliveries from third parties, downtime, loss of profit, sanctions paid to the Buyer's customers, etc.

### **6. Price of Performance and payment terms**

The price for the Performance (purchase price) shall be agreed in the Purchase Contract. The purchase price or a part thereof shall be paid by the Buyer to the Seller based on individual invoices in cash or by transfer to the Seller's bank account indicated in the

Purchase Contract or in another document signed by the Seller and delivered to the Buyer. Unless provided for otherwise, the individual invoices shall be due and payable within 60 days after the Performance was properly and duly handed over to the Buyer. The Seller is obliged to deliver its invoices to the Buyer. In the event that the maturity period of an invoice is longer than 60 days after the handover date of the Performance, the maturity period specified in the invoice shall prevail. In the event that the maturity period of an invoice is shorter than 60 days after the handover date of the Performance, the maturity period of 60 days after the handover date of the Performance shall prevail. The Seller shall be entitled to issue an invoice after a proper and due handover of the Performance or a part thereof to the Buyer, based on a delivery note or another written document certifying the handover of the Performance to the Buyer. An invoice must include all particulars required for a tax document under Act No. 235/2004 Coll., on the Value Added Tax, as amended, as well as the Buyer's purchase order number (or other identification of the Purchase Contract) and the Seller's delivery note number and, if relevant, the number of another written document certifying the handover of the Performance to the Buyer. In the event that an invoice does not include all the particulars required for a tax document as referred to above, the Buyer shall be entitled to return the invoice to the Seller for correction, on the understanding that the Buyer shall also have the right to suspend the payment of the purchase price until the receipt of the corrected invoice and the 60-day maturity period of the invoice shall only commence on the date of receipt of the corrected invoice by the Buyer.

## **7. Performance quality warranty and liability for defects**

The Seller hereby assumes the obligation to deliver such Performance to the Buyer which will be fit for use for the purpose specified in the Purchase Contract or for the usual purpose or which will retain the agreed or otherwise usual properties for a period of at least 24 months after the date of its delivery to the Buyer, unless agreed otherwise or stipulated otherwise in the warranty certificate (declaration) (hereinafter referred to as the "**quality warranty**").

The Buyer is obliged to inspect the Performance without undue delay after the passing of the risk of damage to the Performance or after the delivery of the Performance to the place of destination. Any defects that can be detected during the inspection of the Performance must be reported by the Buyer in writing to the Seller no later than 7 working days after the performance of the inspection. Latent defects that could only be detected at a later point in time under professional care must be reported by the Buyer without delay, but no later than two years after the delivery of the Performance. After receipt of the Buyer's notification of the defects detected, the Seller shall inform the Buyer without delay and no later than within 3 working days about the proposed steps in the claim procedure, or shall reject the claim. If, in order to settle the claim, the Performance needs to be transported back to the Seller's registered office, the cost of transport for the Performance from the Buyer to the Seller as well as the cost of return transport of the Performance from the Seller back to the Buyer shall be borne by the Seller. If the Seller fails to remove the defect within a reasonable period of time set or implied to be set by the Buyer or if the Seller fails to notify the Buyer of proposed further steps within the aforementioned period, the Buyer is, in addition to its legal claims, also entitled to, without having to take any further action towards the Seller, arrange the removal of the defect itself or through a third party at the Seller's exclusive cost and while maintaining the Seller's Quality Warranty for the Performance. The selection of the specific claim shall be at the Buyer's discretion and the Buyer is entitled to change the selected claim at any time without the Seller's consent.

## **8. Supplier's quality policy**

The Seller is obliged to make itself acquainted with and actively implement the Buyer's supplier quality policy.

The Seller is regularly evaluated based on the criteria below:

Payment Terms

Price productivity

Quality

Average delivery delay

According to the result, it is then classified into groups. If it is included in the "Unsatisfactory" group, the seller is subsequently informed on this.

## **9. Sanctions and contractual penalties**

If the Seller is in delay with the delivery of the Performance (or a part thereof, if relevant) to the Buyer, the Seller shall be obliged to pay to the Buyer a contractual penalty amounting to 0.1% of the purchase price for the Performance (or a part thereof, if relevant) for each and every day of delay. If the Buyer is in delay with the payment of an invoice, the Buyer shall be obliged to pay to the Seller a contractual interest on late payment amounting to 0.01% of the amount owed for each and every commenced calendar day of delay, but no more than 3.5% of the amount owed. Sanctions consisting in the agreed contractual penalties and interest shall be without prejudice to the contractual party's right to damages in full.

## **10. Purchase Contract Term and Termination**

A Purchase Contract shall enter into effect on the date of its conclusion by the Contracting Parties, i.e. by the Buyer and the Seller. A Purchase Contract may only be modified or amended in the form of written amendments approved by both Contracting Parties. The Contracting Parties agreed and acknowledge that, unless made in writing (e-mail, fax) as required above, such amendments to a Purchase Contract shall not be binding for them and shall not come into existence. This provision shall apply irrespective of whether a Contracting Party or both Contracting Parties, as the case may be, provided performance in accordance with the amendment to the Purchase Contract. The rights and duties under the Purchase Contract shall be assumed by the legal successors of the Contracting Parties, unless agreed otherwise.

In case of a fundamental violation of the Purchase Contract by either of the Contracting Parties, the other Contracting Party shall be entitled to terminate the Purchase Contract. The Seller and the Buyer agreed that the following shall be considered to constitute a fundamental violation of the Purchase Contract:

- a quality defect of the Performance (e.g. if the Performance delivered by the Seller to the Buyer is not fit for use for the agreed or usual purpose),
- incorrect quantity of the Performance (e.g. the quantity of the Performance delivered by the Seller to the Buyer is different than agreed),

- delivery of different Performance than the Performance agreed in the Purchase Contract,
- failure to deliver the Performance in the agreed time.

The termination of the Purchase Contract shall become effective upon the delivery of the written notice of the Contracting Party terminating the Purchase Contract to the other Contracting Party. In case of any doubt between the parties as to the date of delivery of the Purchase Contract termination notice, such notice shall be deemed to have been delivered on the third day after its sending.

### **11. Confidentiality agreement**

Any and all information of commercial, production and technical nature disclosed between the Contracting Parties in connection with a Purchase Contract shall be subject to trade secret, and the Contracting Parties undertake that, when performing their obligations under or in connection with the Purchase Contract, they shall not directly or indirectly publish such information, disclose it to third parties or use it for their own benefit or for the benefit of third parties. Unless agreed otherwise between the Contracting Parties, they are obliged to keep confidential any and all circumstances that came to their knowledge in connection with the Purchase Contract; this shall apply also after their other rights and duties under the Purchase Contract have ceased to exist. In such case, the Contracting Parties are obliged to return or destroy with documented evidence, as appropriate, any confidential information received from the other party. The Contracting Parties are also obliged to defend the good reputation and image of the other party. Any violation of these duties shall give rise to an obligation to pay damages.

### **12. Protection of transfers of personal data to countries outside of the EU/EEA**

Should the performance of the Purchase Contract include any transfers of personal data to countries outside of the EU/EEA within the meaning of the 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 (General Data Protection Regulation), the Contracting Parties shall before the execution of the Purchase Contract sign the Standard Contractual Clauses for the Transfers of Personal Data to Third Countries (Controller-to-Controller Transfers) or adopt any other appropriate safeguard pursuant to Articles 45 to 47 of the General Data Protection Regulation available at that time.

### **13. Dispute settlement**

Any disputes arising from and related to the Purchase Contract, as well as any disputes arising from and related to these Purchasing Terms and Conditions shall be resolved exclusively by the general courts of the Czech Republic. The Seller and the Buyer hereby agree on exclusive local jurisdiction making the general court of the Buyer competent to hear and decide any dispute arising from or in any way related to these Purchasing Terms and Conditions and individual Purchase Contracts concluded thereunder.

#### **14. Final provisions**

These Purchasing Terms and Conditions enter into force on 20/03/2024. The rights and duties and the legal relationships arising from a Purchase Contract concluded between the Seller and the Buyer shall be governed by these Purchasing Terms and Conditions as from the effective date of the Purchasing Terms and Conditions, i.e. upon their signing by the Seller and the Buyer, provided that these were not signed upon the conclusion of the Purchase Contract referring to these Purchasing Terms and Conditions. Unless stipulated otherwise, the rights and duties and the legal relationships arising from a Purchase Contract as well as from these Purchasing Terms and Conditions shall be governed by the laws of the Czech Republic, including relationships arising from a violation of the Purchase Contract and/or a violation of these Purchasing Terms and Conditions.

If the Seller is a foreign entity, the aforementioned provision is the choice of law in accordance with the relevant regulations and all legal relations arising from or in any way associated with this Contract shall be governed by substantive law of the Czech Republic before the local competent court as agreed pursuant to Clause 12 of these Purchasing Terms and Conditions.

These Purchasing Terms and Conditions replace in full any previous general purchasing terms and conditions of the Buyer concerning Purchase Contracts, which were concluded between the Seller and the Buyer.

The Contracting Parties hereby declare that they have read through, understood and agreed with the contents of these Purchasing Terms and Conditions, in witness whereof they have set their hands unto these Purchasing Terms and Conditions based on their own, earnest and free will, free of error, not in distress or under markedly disadvantageous conditions.