

General Delivery and Payment Terms and Conditions of

PRECHEZA a.s.

(hereinafter referred to as the "General Terms and Conditions")

Article 1.

General arrangements

These General Terms and Conditions are an integral part of the Sales contract concluded between the Seller and the Buyer. The Buyer's consent with these General Terms and Conditions, which are published on the Seller's website www.precheza.cz, is confirmed by his signing of Sales contract. The expressions used in the Sales contract shall have the meaning specified in the General Terms and Conditions, unless otherwise explicitly specified in the Sales contract. In a case of conflict between the wording of the Sales contract and the General Terms and Conditions, the wording of the Sales contract shall prevail, except as provided for in the Article 3. Section 3.3. letter c) that always applies.

Article 2.

The scope of the General Terms and Conditions

These General Terms and Conditions relate to all sales of goods of the company PRECHEZA a.s., except a case in which its use of either all or a part thereof is excluded by the agreement of the parties under the terms of the Sales contract.

Article 3.

Delivery of the goods

3.1. Transport:

a) The Seller shall provide transportation services at his own expense, unless explicitly agreed otherwise by the parties in the contract, or unless otherwise stipulated hereunder in these General Terms and Conditions.

b) The Seller is obliged to provide the Seller with instructions for transportation of the goods properly and on time.

c) Unless specified otherwise in the Sales contract, the dates for submission of the transport instructions are as follows:

*in the case of maritime shipments 24 hours prior to the commencement of loading

*in the case of railway and highway consignments a minimum of 2 days prior to the despatch of the goods

d) In the event of the Buyer not meeting his duty to provide the Seller with transportation instructions properly and on time, the Seller shall have the right to withdraw unilaterally from the Purchase Agreement by making a written announcement, said withdrawal to be effective on being delivered in writing to the Buyer. In that case the Seller is authorized to claim the compensation of all damages inclusive lost profit from the Buyer.

e) In the event of the Buyer being delayed in meeting any of his duties ensuing from these General Terms and Conditions or ensuing from the contractual arrangements, or in any other way not permitting the Seller to meet his duty to deliver the goods, the Seller's duty to deliver the goods shall be deemed to have been met if the goods were at the loading point ready for despatch or collection no later than on the last day of the deadline for performance and the Seller sent the Buyer a report of this fact.

f) In the event of the Buyer being delayed in meeting of his payment duties ensuing from the Sales contract or these General Terms and Conditions the Seller shall have the right to refuse the shipment of goods until the Buyer's payment obligation is fulfilled.

3.2. Place of the performance

The place of performance shall be specified within the framework of the Sales contract, on the understanding that the place of performance is the loading site, unless stipulated otherwise.

3.3. Time of performance

a) The time of the performance shall be specified within the framework of the Sales contract on the understanding that the Seller shall have the right to realize delivery of the goods in parts thereof, unless otherwise stipulated.

b) In the event of the Buyer not taking receipt or collecting the goods, or, as the case may be, not taking receipt of the goods properly and on time, the Seller shall have the right to unilaterally withdraw from the Sales contract, said withdrawal to become effective at the moment of its delivery in written form to the Buyer. In that case the Seller is authorized to claim the compensation of all damages inclusive lost profit from the Buyer.

c) The goods are deemed to be factually delivered when handed over to the first public forwarder at the place of loading.

3.4. Quantity of goods

The quantity of goods shall be agreed on within the framework of the Sales contract in the specified units of measure or weight and the actually delivered quantity of goods may differ from the quantity agreed on within the framework of the Sales contract within contractually agreed tolerance, otherwise + - 5 %.

3.5. Price of the goods

a) The price of the goods shall be agreed on within the framework of the Sales contract as a contractual price.

b) The maturity date specified in the Sales contract shall mean and refer to the day on which the financial sum due on the maturity date is to be credited to the Seller's account as specified in the Sales contract or in a related account document (invoice).

c) Any delay in payment of the purchase price or a part thereof shall be regarded as a substantial breach of Sales contract.

d) The Buyer is not entitled to withhold the purchase price or its part due to any own claims against the Seller. The Buyer is not entitled to set-off any of its own claims against the purchase price, even if such claims against the purchase price are based on rights from complaints made in time. Any discount of the purchase price due to a defect of the goods shall be settled by a credit note upon payment of the purchase price.

e) In the event of a Buyer's delay with payment of the purchase price or a part thereof, the Seller shall have the right to enforce an agreed contractual penalty against the Buyer of 0,03% of the amount owed for each day inclusive of the delay. The contractual penalty is not included in any damages. The application of § 2050 of the Act No. 89/2012 Coll., the Civil Code, as amended, is excluded.

f) In case of Seller's reasonable doubts about the solvency of the Buyer, the Seller is entitled, without assuming other Seller's rights, to unilaterally modify the payment terms agreed in the Sales contract, in particular to shorten the maturity, or to request payment in cash or advance.

Article 4.

The transfer of ownership rights and the transfer of liability for damage to the goods

4.1. The Seller shall send the goods to the Buyer to the designated place through the transport company, unless stipulated otherwise in the Sales contract. The effects of delivery occur by handing over the goods to the first transporter. At the same moment the liability for damage to the goods passes to the Buyer.

4.2. The ownership rights shall pass to the Buyer at the same time as the transfer of liability for damage to the goods according to Article 4.1, unless stipulated otherwise by the Sales contract or these General Terms and Conditions.

4.3. In the case of direct deliveries of goods from a foreign manufacturer the ownership rights to the goods shall pass to the Buyer at the moment the terms of the appropriate clause are met under the current valid INCOTERMS 2020.

4.4. The Buyer shall be entitled to dispose of the goods in the capacity of owner and as he sees fit from the moment the goods are submitted to the first transport company, unless stipulated otherwise in the Sales contract.

Article 5.

Liability for defects to the goods

5.1. If the goods in question do not correspond in respect of quantity, quality, type or packaging to the conditions specified in the Sales contract, it shall be deemed defective. The Buyer shall be obliged to demonstrate the defectiveness of the goods to the Seller by credible means.

5.2. The Buyer shall be obliged to inspect the goods immediately after liability for damage thereto passes to him or after delivery of the goods to the designated place.

5.3. The Buyer shall be obliged to inform the Seller immediately in writing of any defect discovered during acceptance or inspection (e.g. by electronic post, courier, etc.), and no later than 7 days of the inspection of the goods taking place the Buyer shall be obliged to send the Seller a document on the inspection and discovery of the defects to the goods, confirmed by an independent audit company (a specialist third party). The Buyer shall be obliged to inform the Seller in writing of defects discovered by laboratory analysis within 14 days of the inspection of the goods.

5.4. Complaints regarding differences in quantity, damaged packaging, poor quality or depreciation of the goods must be corroborated by the Buyer to the Seller in the form of a document verified by an independent audit company (a specialist third party). Differences in quantity in the case of consignments transported by rail shall be resolved on the basis of the Transportation Regulations of concrete transporter.

5.5. In the event of a complaint regarding quality the Buyer shall submit the Seller a sample of the goods forming the subject of the complaint, together with the complaint, said sample to have been taken in the presence of an independent specialist third party, or, as the case may be, in the presence of a representative of the Seller.

5.6. For the duration of a complaint procedure pertaining to quality the goods subject to the complaint must be stored separately until the moment the procedure is completely resolved, unless otherwise agreed on by the parties, and may not be handled in any way which would impede or prevent the Form No. 1, valid starting from April 22th, 2020.

subsequent control of the defects in question without the prior express assent of the Seller.

5.7. Within 3 days of receiving a proper announcement from the Buyer regarding the defects discovered the Seller shall propose the next step toward resolution of the complaint or shall reject the complaint within the same deadline. The Seller shall still be entitled to reject the complaint if it is shown to be without justification.

5.8. If the complaint is acknowledged by the Seller as being justified, the Buyer may request that the missing goods or a replacement thereof be delivered for the defective goods, or that a reduction be offered on the purchase price.

5.9. If the Buyer is in breach of his duty to carry out a punctual inspection of the goods or to announce the discovery of a defect under the terms hereof, the Seller shall be entitled to reject the complaint, in which case the Buyer shall have no rights arising from liability for defect.

5.10. In the event of its being necessary to demonstrate the existence of defects by means of an expert assessment, the costs of such an assessment shall be borne by the party which requested this assessment, and this party shall have the right to seek compensation of these costs against the second party in the event of the complaint proceedings proving to the disadvantage of this second party.

Article 6.

Circumstances exempting liability

6.1. The liability of the parties for the partial or complete non-fulfilment of contractual duties shall be excluded should the following take place:

a) as a result of *force majeure*; *force majeure* shall mean and refer to such circumstances which take place after the contract is concluded as the result of enforceable events of an extraordinary character which could not have been averted by the second contracting party, e.g. an accident in the production equipment, natural catastrophe, war, sabotage, or strike. If *force majeure* persists for more than 90 days, the parties shall be obliged to meet the obligations ensuing from the Purchase Agreement as soon as the effects of the *force majeure* pass: the delivery deadlines and all other deadlines shall be postponed by the duration of the operation of the *force majeure*.

b) as a result of intervention by official bodies in the country of the Seller or Buyer which prevent the duties ensuing from the Sales contract being met.

6.2 The contractual parties hereby declare that they are aware of the current pandemic situation with the coronavirus infection, known under the name of COVID-19, and therefore when concluding the contract of sale they take into consideration this situation and all the adopted emergency measures. Having taken into account the current situation, the contractual parties therefore explicitly agree that in such a case when, as a result of the current situation and emergency measures adopted by the state organs, meeting the conditions of the contract of sale becomes difficult, or only possible under fundamentally difficult conditions, with considerably more difficult conditions, with considerably increased costs, or even impossible, such difficulties or impossibility to meet the conditions constitute a reason for termination on the part of the seller leading to the termination of the obligation arising from the contract of sale. The notice period in such a case has been negotiated as a period of 1 (one) month to begin on the first day of the calendar month following the month in which a written termination was delivered to the buyer. The contractual parties have furthermore

agreed that the seller in such a situation at the same time will be absolved from the liability, including the liability to compensate any damages arising from the obligation or delay in meeting the obligations negotiated in the contract of sale, if it is apparent that they were prevented from meeting the obligations of the contract of sale, either temporarily or permanently, by the emergency measures adopted by the state organs at the time of the contract conclusion or meeting the conditions of the contract of sale. This clause concerning the grounds for termination and absolution of the liability, including the obligation to compensate damages on the part of the seller are valid even in the case when, after the signing of the contract of sale, the pandemic situation and the emergency measures adopted by the organs of state change (or as the case may be, are tightened).

Article 7.

Applicable law and statutes of obligations

Unless expressly stated otherwise in the Sales contract, the rights and obligations of the parties, as well as the legal relations arising therefrom, shall be governed by the laws of the Czech Republic, in particular by the relevant provisions of the Act No. 89/2012 Coll., the Civil Code, as amended. The application of the United Nations Convention of Contracts for the International Sales of Goods of 11th of April 1980 (the so-called Vienna Convention) and the rules of private international law, are excluded.

Article 8.

Resolution of disputes

8.1. If a dispute arises between the contracting parties in relation to the Sales contract, its application or interpretation, the contracting parties shall exert maximum effort to resolve such a dispute peaceably.

8.2. If the dispute between the contracting parties fails to be settled amicably in connection with the Sales contract, the contracting parties agree on the exclusive jurisdiction and competence of the courts of Czech Republic, which is governed by the Seller's registered office at the time of filing the respective claim by the court.

Article 9.

The language versions of the General Terms and Conditions

These General Terms and Conditions are drawn up in Czech language and may also be made in full or in part in English language. In case of discrepancy between the two language versions, the Czech wording of the General Terms and Conditions is decisive and binding.

Article 10.

Protection of personal data

10.1. The Parties are aware that under this Sales contract they will mutually process pursuant to the Regulation of the European Parliament and of the Council (EU) no. 2016/679 of 27 April 2016 (the General Data Protection Regulation), and related acts, the personal data of the other party collected in the course of their business cooperation and obtained either from the other party or from publicly accessible registries and do so to the extent specified in this Sales contract, or depending on the nature of the contract.

10.2. The parties shall process the personal data in particular for the purpose and on the ground of Form No. 1, valid starting from April 22th, 2020.

performing the rights and obligations arising for them from this Sales contract or imposed on them from valid legal regulations and also for the purposes of their legitimate interests, in particular to assert or defend the rights and claims from this contract if necessary.

10.3. The personal data shall be processed for the time of the existence of the relationship established by this Sales contract and after its expiry for the period during which there is a risk of asserting legal claims from this contract extended by 1 year, unless valid legal regulations, such as the accounting act or the act on archiving and record service, prescribe a longer data retention period.

10.4. The parties declare that their personal data or in the case of legal persons the personal data of their members and statutory bodies or the personal data of their employees are provided voluntarily as part of their business activities or work obligations and are complete and up-to-date. At the same time the parties agree to inform each other without undue delay on any change in order to comply with the obligation to process accurate, complete and updated data.

10.5. The parties agree to keep confidential any and all personal data processed on the basis of this Sales contract.

10.6. The parties as controllers agree to process the personal data in compliance with the valid legal regulations defining the protection and processing of personal data. In the event of breach of any obligation concerning the processing of personal data arising to a party from this Sales contract or applicable legal regulations such party agrees to compensate the other party in full for the damage so caused, including inter alia the compensation for an administrative fine imposed on the other party by the Office for Personal Data Protection.

10.7. The parties agree to process the personal data in compliance with the valid legal regulations which define the protection and processing of personal data. Additional information on the processing of personal data by PRECHEZA a.s., on its transfer to third parties, as well as on the rights guaranteed by legal regulations is provided in the PRECHEZA Personal Data Protection Policy available at www.precheza.cz, which forms a part of and an inseparable annex to this Sales contract. If the other party has a similar processing policy prepared, it is obligated to inform PRECHEZA a.s. on such fact in a provable manner.

10.8. If the other party is only a data subject and not a controller as defined by the General Data Protection Regulation (i.e. it handles personal data without any connection to its business and professional activity or does not handle personal data systematically), the above-described obligations, except for the confidentiality obligation, shall not apply to such party. In such case the above provisions merely serve as information on the processing carried out by PRECHEZA a.s.

Article 11.

Final arrangements

11.1. The Buyer declares and confirms by signing the Sales contract that he is not placed on the list of countries to which the relevant institutions, whose decisions the Seller is bound, imposed restrictive measures (sanctions) on the import of the goods. If such a fact occurs in the future, the Buyer is obliged to inform the Seller in writing without undue delay.

11.2. If the Buyer is placed on the list of countries to which the relevant institutions, whose decisions the Seller is bound, imposed restrictive measures (sanctions) on the import of the goods, the Seller is entitled, with the immediate effect, not to deliver the goods to the Buyer and not to fulfill any other obligations arising from the concluded Sales contract until the moment when the effects of the imposed restrictive measure expire on the Buyer.

11.3. These General Terms and Conditions apply to all deliveries of Seller's goods. Any general purchase conditions specified or pre-printed in the Buyer's order, as well as any other conditions contained in the Buyer's order, that are not in accordance with these General Terms and Conditions, shall be considered as invalid if the Seller has not confirmed it in writing prior to delivery of the goods.

11.4. These General Terms and Conditions come into force and effect on April 22th, 2020 and replace any previous general terms and conditions for the sale of the Seller's goods.

PRECHEZA a.s.