

Terms and Conditions for the Purchase of Goods – ÚJV Řež, a. s.

valid from 7th March 2024

I. Introductory Provisions

1.1 The Terms and Conditions apply to the trade obligations arising from the Contract, the subject matter of which is the supply of goods (hereinafter referred to as the "**Purchase Contract**"), concluded pursuant to Act No. 89/2012 Coll., the Civil Code, as amended (hereinafter referred to as the "Civil Code").

1.2 For the purposes of the Terms and Conditions, the Purchaser shall always mean ÚJV Řež, a. s., and the Seller shall mean the relevant entity supplying the goods identified in the Purchase Contract.

1.3 Specific agreements on the Purchase Contract shall supersede the text of the Terms and Conditions.

II. Goods and Characteristics of Goods

2.1 The Seller shall be obliged to deliver the goods specified in the Purchase Contract, at its own costs and risk. The goods shall have the characteristics, parameters, quality and finish as specified in the Purchase Contract; otherwise, standard characteristics, parameters, quality and finish.

2.2 The Seller shall be obliged to deliver the goods in a new and unused condition.

III. Price of Goods

3.1 The price of goods is referred to in the Purchase Contract.

3.2 The price of goods includes all costs incurred by the Seller, necessary for the proper and timely delivery of the goods including transport of goods to the place of delivery as specified in the Terms and Conditions or as specified in the Purchase Contract.

IV. Place and Date of Delivery of Goods

4.1 Unless otherwise stated in the Contract, the address of registered office of the Purchaser is the place of delivery of goods. The date of performance of the Contract is set in the Contract.

4.2 A handover certificate signed by authorised representatives of the Parties shall be drawn up on handover of the goods. The handover certificate shall be enclosed to the invoice as a basis for the payment of the price of goods. When the goods will be delivered to the Purchaser through a third party – carrier, no handover certificate shall be drawn up; in this case, the Purchaser shall acknowledge the receipt of goods in the delivery note to be enclosed to the invoice.

4.3 Together with the delivery of goods, the Seller undertakes to hand over to the Purchaser all documents needed for the acceptance and use of goods.

4.4 The delivery of goods shall include documents demonstrating the qualitative parameters of goods and documents related to the goods within the meaning of Government Regulation No. 163/2002 Coll., and Act No. 22/1997 Coll.

4.5 If the Seller fails to hand over to the Purchaser the documents referred to in par. 4.3 and 4.4 hereof, the Purchaser shall not be obliged to accept the goods.

V. Invoicing, Payment Terms

5.1 The Seller shall become entitled to invoice the price of goods on the day of handover and acceptance of the goods.

5.2 All invoices shall be payable within 30 days of their receipt by the Purchaser.

5.3 All invoices shall meet the requirements laid down in Section 435 of the Civil Code; for VAT payers, the invoice – tax document (hereinafter referred to as the “invoice”) shall meet the requirements for the tax document pursuant to Section 29 of Act No. 235/2004 Coll., on Value Added Tax, as amended. The invoice shall always include the Purchaser's Contract reference number.

5.4 If the invoice fails to meet the requirements or to include annexes referred to in the Purchase Contract or in these Terms and Conditions or the bank details and account number of the Seller are in conflict with the Purchase Contract or in conflict with the written notice of its change, and/or these formalities are incorrect, the Purchaser shall be entitled to return the invoice to the Seller within the period time limit for payment. The Seller shall be obliged to correct the invoice and, where appropriate, the advance payment invoice, or issue a new invoice. Upon the receipt of the new, completed or corrected invoice, a new due date starts.

5.5 The invoice shall be delivered to the address of registered office of the Purchaser stated in the Purchase Contract.

5.6 Any payments shall be effected in the form of non-cash transfers to the Seller's bank account specified in the Purchase Contract. The Parties agreed that the bank details and account number of the Seller may only be changed by means of a written amendment to the Purchase Contract or written notification provably delivered to the Purchaser by the Seller not later than together with the respective invoice. This notification must be signed by Seller's person authorized to sign the Purchase Contract.

5.7 The invoice shall be deemed to be paid when the Purchaser's account is debited and the Seller's account is credited with the sum.

5.8 In the event that, pursuant to Section 109 of the Act on Value Added Tax, the Purchaser as recipient of supply is liable for the unpaid tax on this supply, the Purchaser is entitled to pay the value added tax for the Seller directly to the tax authority of the Seller for the purpose of a special way to ensure tax pursuant to Section 109a of the VAT Act. The Purchaser shall notify in writing the Seller of the fact that the payment was made. The tax paid in this manner shall reduce Seller's debt for the Purchaser by the respective amount of tax and therefore, the Seller shall not be entitled to request the Purchaser to pay such sum.

5.9 Any payments shall be effected only in the form of non-cash transfers to the Seller's bank account specified in the Purchase Contract. This bank account of the Seller shall be a bank account with a national provider of payment services and published in the manner allowing for remote access pursuant to Section 96(2) of Act No. 235/2004 Coll., on Value Added Tax, as amended. The bank details may only be changed by means of a written amendment to this Purchase Contract or written notification provably received by the Purchaser not later than together with the respective invoice. This notification

shall be signed by persons authorised to sign the Purchase Contract. Any change in the bank details must meet the aforementioned requirements, i.e. this bank account must be a bank account with a national provider of payment services and must be published in the manner allowing for remote access.

5.10 If the Purchaser fails to meet the due date of invoice, the Seller shall be entitled to request an interest on late payments at the rate of 0.02% of the amount due for each day of delay.

VI. Risk of Damage, Ownership Right

6.1 The right of ownership of the goods and risk of damage, accidental losses and deterioration shall pass on the Purchaser on the day of handover and acceptance of the goods. When the goods is delivered (transported) to the Purchaser through a third party – carrier, the transfer of the risk of damage to the goods will be governed by provisions Section 2123 of the Civil Code.

VII. Contractual Penalties

7.1 If the Seller fails to meet the agreed time limit for the delivery of goods, the Purchaser shall be entitled to charge to the Seller a contractual penalty in the amount of 0.5% of the price of goods for each, even commenced, day of delay.

7.2 If the Seller fails to meet the time limit for the elimination of defects of the goods according to Clause IX hereof, the Seller shall pay a contractual penalty in the amount of CZK 500 for each single case of defect and each day of delay in the time limit for defect elimination.

7.3 The arrangement for contractual penalties shall not affect the right of the Purchaser to compensation for damages, including damage in excess of contractual penalty. The contractual penalty shall be payable within 30 days of the receipt of its statement.

VIII. Damage

8.1 Compensation for the damage is governed by provisions of Section 2894 et seq. of the Civil Code. The Parties hereby expressly negotiate an obligation to compensate for immaterial injury (e.g. damage to reputation).

IX. Quality Guarantee

9.1 The Seller shall provide the Purchaser with a 24-month quality guarantee starting from the date of signing of the handover certificate by both Parties, unless otherwise agreed.

9.2 The Seller shall be obliged to eliminate any defects of goods without undue delay, but not later than within 15 days of the notification of defect, unless different time limit for defect elimination is agreed between the Parties, with respect to the extent and character of defect.

9.3 If the Seller fails to eliminate any defect/defects within the required time limit, the Purchaser shall be entitled to eliminate such defect/defects using its own means or under subcontracts, and to pass on to the Seller all reasonable costs of elimination, without reducing any of its rights arising from the Purchase Contract. The Seller shall be obliged to pay the reasonable costs of defect elimination, passed on it by the Purchaser, within 30 days of the receipt of statement.

9.4 The guarantee period shall not run for a period when the Purchaser could not use the goods due to defects, for which the Seller is liable.

9.5 For the parts of goods, which were replaced by the Seller as a result of justified claim, the guarantee period shall start to run again from the day of elimination of the defect by replacement.

9.6 The Seller shall be obliged to eliminate any claimed defect, for which there is dispute over the justification issue, and shall bear all costs of defect elimination until a decision by a third impartial party, agreed upon by the Parties, has been taken or until a decision of the court has been taken.

X. Confidential Information

10.1 During performance of the Contract, the Parties may obtain information that is considered as confidential by the Parties (hereinafter referred to as "Confidential Information").

10.2 The Parties undertake to protect and not to disclose or publish, without the previous written consent of the other Party, Confidential Information that the Party obtained from the other Party under the Contract and that has expressly been regarded as Confidential Information by the disclosing Party. The Party shall be entitled to use Confidential Information obtained from the other Party only for the purposes of performance of the Contract.

XI. Withdrawal from the Contract

11.1 The Parties shall be entitled to withdraw from the Contract in accordance with the relevant provisions of the Civil Code.

11.2 The following shall be particularly considered as a serious breach of the Contract:

- Delay of the Seller in the delivery of goods by more than 10 days
- Delay of the Seller in the elimination of the defect of goods by more than 10 days
- Breach of the duty of confidentiality in respect of information referred to in Clause X

XII. Other Arrangements

12.1 The Seller shall not be entitled to assign rights or obligations arising from the Purchase Contract to a third party without the previous written consent of the Purchaser.

12.2 If the Seller or any of its subcontractors applies during the performance of the Purchase Contract any of its corporate inventions, utility models or industrial designs, developed prior to the conclusion of the Purchase Contract or in the course of performance of the Purchase Contract, the Seller grants to the Purchaser its consent to the use thereof on the day of acceptance of the relevant supply by the Purchaser. Acquisition of the right to use such objects of industrial property for the purpose arising from the Contract is included in the price of goods. The above shall also apply to the right of the Purchaser to use the Work protected under the Copyright Act, with the remuneration for such use being included in the price of goods.

12.3 The Purchase Contract may only be amended by written amendments concluded by authorised representatives of both Parties.

XIII. CFSI clause

13.1 The Purchaser declares that it has a system in place to prevent the supply of counterfeit, fraudulent and suspect items (hereinafter referred to as "CFSI item") which, for the purposes of the Purchase Contract, is defined as an item whose origin, age, composition, configuration, certification status, or other characteristic (including whether the material has been previously used) has been misrepresented by any of the following means: a) misleading marking of materials, labelling, or packaging; b) misleading documentation; c) any other means, including failure to disclose relevant information.

13.2 In the event that the Seller discovers a CFSI item in the supply chain in connection with the delivery of the goods, the Seller agrees to

- a) inform the Purchaser of this fact without undue delay,
- b) promptly replace the affected CFSI item with one that is not a CFSI item while fully complying with the terms of the Purchase Contract; and
- c) provide the Purchaser with all assistance necessary to determine the cause of the CFSI item and take adequate action.

13.3 Breach of any of the obligations under clause 13.2 is a material breach of the Purchase Contract entitling the Purchaser to cancel the order or withdraw from the Purchase Contract.