

GENERAL BUSINESS TERMS AND CONDITIONS

(the "GBTC")

Clause 1. RECITALS

- 1.1. These General Business Terms and Conditions issued by the Seller pursuant to Section 1751 of the Civil Code apply to all deliverables of the Seller's Merchandise and legal relations arising in this context between the Seller and the Buyer. Unless otherwise agreed in writing, the following conditions shall apply exclusively to all offers, deliveries and performances of the Seller and the Buyer's purchase orders.

Clause 2. DEFINITIONS

- 2.1. For the purposes of these GBTS, the following capitalised expressions shall have the following meanings:
- a) **"Price List"** shall mean the current price list of the Merchandise available in any of the Seller's establishments or published at the Seller's website. The Price List shall apply only if no other agreement is contained in the Agreement and if the Agreement stipulates otherwise, the provisions of these GBTC regarding the Price List shall be excluded;
 - b) **"Group Member"** shall mean any of the following corporations: (i) TEKACABLE s.r.o., Company ID: 260 69 695, with its registered office at Bílkov 119, 380 01 Dačice, registered in the Commercial Register maintained by the Regional Court in České Budějovice under file No. C 12054; or (ii) TEKACABLE CORPORATE a.s., Company ID: 28144899, with its registered office at Bílkov 119, 380 01 Dačice, registered in the Commercial Register maintained by the Regional Court in České Budějovice under file No. B 2025; (iii) TEKACABLE TRADE s.r.o., Company ID: 28356055, with its registered office at Bílkov 119, 380 01 Dačice, registered in the Commercial Register maintained by the Regional Court in České Budějovice under file No. C 30917; (iv) MUNOS, spol. s r.o., Company ID: 60700173, with its registered office at Bílkov 119, 380 01 Dačice, registered in the Commercial Register maintained by the Regional Court in České Budějovice under file No. C 34962; (v) any other corporation belonging to the group of the above companies.
 - c) **"Delivery Date"** shall mean the date of readiness of the Merchandise for delivery to the Buyer as notified by the Seller.
 - d) **"VAT"** shall mean value-added tax at the current rate stipulated by statutory provisions applicable at the date of the Agreement;
 - e) **"EXW"** shall mean the place of delivery of the Merchandise pursuant to INCOTERMS 2020, i.e. at the Seller's factory, warehouse, other establishment or at another place designated by the Seller at which the Seller shall allow the Buyer to accept and dispose of the Merchandise and, unless otherwise stipulated in writing, it shall be: Bílkov 119, 380 01 Dačice;
 - f) **"Invoice"** shall mean the Seller's tax document for payment of the purchase price for the delivered Merchandise issued by the Seller;
 - g) **"Buyer"** shall mean any person other than the consumer that takes the Merchandise from the Seller;
 - h) **"Place of Performance"** shall mean the Seller's at Bílkov 119, 380 01 Dačice; unless agreed otherwise.
 - i) **"Civil Code"** shall mean Act No. 89/2012 Coll., the Civil Code, as amended;
 - j) **"Civil Procedure Code"** shall mean Act No. 99/1963 Coll., the Civil Procedure Code, as amended;

- k) **"Packaging Management Conditions"** shall mean the Packaging Management Conditions issued by the Seller, attached at Schedule 1, which form an integral part of each Agreement unless agreed otherwise;
- l) **"Seller"** shall mean any Group Member that actually enters into the Agreement;
- m) **"Master Purchase Agreement"** shall mean the agreement that governs the basic terms and conditions of the long-term co-operation between the Seller and a particular Buyer on the basis of which the Implementing Agreements for the deliveries of the Merchandise are executed as long as such Master Purchase Agreement is in place;
- n) **"Implementing Agreement or Purchase Order"** shall mean each individual agreement regulating the specific terms and conditions of delivery of the Merchandise to a specific Buyer, agreed between the Parties on the basis of the Master Purchase Agreement, regardless of whether it is executed in writing or as the Buyer's purchase order confirmed by the Seller;
- o) **"Agreement"** shall mean the Master Purchase Agreement and/or the Implementing Agreement.
- p) **"Parties"** shall mean jointly the Seller and the Buyer;
- q) **"Seller's Account"** shall be the Seller's bank account indicated on the Invoice unless the Agreement stipulates otherwise;
- r) **"Seller's Warranty Terms"** shall mean the warranty terms and conditions for the Merchandise provided by the Seller on the Merchandise and given to the Buyer in paper form with the Merchandise or included in the Agreement or these GBTC, as the case may be;
- s) **"Merchandise"** shall mean the Seller's cables, wires and other products manufactured by the Seller to the Buyer's requirements.

Clause 3. CONCLUSION OF AGREEMENTS

- 3.1. Offers of the Merchandise in the Price Lists, catalogues or other advertisement of the Seller are not binding offers to deliver the Merchandise; that is why, the application of Section 1732 (1) and (2) of the Civil Code to such offers of the Seller shall be excluded. The Agreement is executed only by unconditional acceptance of the proposal to enter into the Agreement, i.e. the Buyer's Purchase Order, by the Seller if the Buyer presented the proposal; otherwise, the Agreement is made by the Buyer's unconditional acceptance of the Seller's proposal.
- 3.2. Usually, the Parties shall enter into the Master Purchase Agreement in writing first. Subsequently, the Parties shall enter into partial Implementing Agreements.
- 3.3. The Buyer shall indicate on its Purchase Order
 - the Buyer's identification data, i.e. business name, registered office, Company ID, Tax ID and billing address;
 - the person competent to accept the ordered Merchandise;
 - the requested place and date of delivery (incl. information on business hours);
 - the method of collection of the Merchandise (e.g. personal collection, contractual transport, etc.);
 - the number of the ordered Merchandise according to the Seller's Price List in force, and/or any and all necessary technical specification of the product whose custom-made manufacture by the Seller is ordered by the Buyer;
 - the quantity of the ordered Merchandise;

while the Seller shall not be liable for any damage resulting from incorrect details in the Purchase Order.

- 3.4. The Seller may refuse to accept the Buyer's Purchase Order; however, it shall always indicate reason for refusing to accept the Purchase Order.
- 3.5. The Seller may assign its rights and obligations under the Agreement to a third party without the Buyer's prior written consent. The Buyer may not assign its rights and obligations under the Agreement to a third party without the Seller's prior written consent.

Clause 4. DELIVERY OF THE MERCHANDISE

- 4.1. Delivery of the Merchandise to the Buyer shall be subject to the execution of the Agreement.
- 4.2. The Seller shall deliver the Merchandise to the Buyer at times and in the manner agreed in the Agreement. Unless the Agreement stipulates otherwise, the place of delivery of the Merchandise shall be the place designated according to the EXW clause, specifically the Place of Performance.
- 4.3. Unless the Agreement stipulates otherwise, the Seller shall notify the Buyer sufficiently in advance, however, at least two (2) business days in advance, about the date on which the Merchandise is ready for delivery, i.e. the Delivery Date.
- 4.4. The Buyer shall arrange for the loading and transport of the Merchandise according to the EXW clause on the Delivery Date. Unless personal collection or transport by the Buyer was agreed, the Seller shall arrange for delivery of the Merchandise using a contracted carrier. The Buyer shall arrange for a convenient access for the Seller's carrier and ensure acceptance of the Merchandise without undue delay.
- 4.5. The Seller shall deliver the Merchandise to the Buyer at quality compliant with the applicable technical specifications, drawings, technical conditions or otherwise at customary quality and workmanship.
- 4.6. If, after the execution of the Purchase Agreement, it becomes apparent that the Buyer will not pay the Purchase Price or any portion thereof in a proper and timely manner, the Seller may demand payment of the price of the Merchandise in full prior to delivery of the Merchandise. In this case, the Seller may refuse delivery until the claimed amount has been paid to it, including deliveries already confirmed by the Seller. In this case, in view of already delivered Merchandise the price of which had not been paid as yet, because it is not due and payable, the Seller may withdraw from the Purchase Agreement and demand the return of the Merchandise.
- 4.7. The Seller may refuse delivery of the Merchandise or withdraw from the Purchase Agreement if the Buyer delays in any of its monetary obligations owed to the Seller.

Clause 5. ACCEPTANCE OF THE MERCHANDISE

- 5.1. The Parties have agreed that the Merchandise shall be considered as accepted by the Buyer when the Merchandise is taken over by:
 - the Buyer in person; or

- the person indicated in the Agreement (Purchase Order); or
 - an employee or another person authorised by the Buyer to accept Merchandise; or
 - any person present at the agreed place of delivery or establishment of the Buyer at the moment of delivery of the Merchandise unless a different person is designated explicitly by the Buyer to accept the Merchandise; or
 - the Buyers' contractual carrier.
- 5.2. The risk of damage according to the EXW clause shall pass onto the Buyer upon acceptance thereof by the Buyer on the Delivery Date and at the Place of Performance and/or at the Seller's factory, warehouse, a different establishment or at another place designated by the Seller at which the Seller shall allow the Buyer to accept and dispose of the Merchandise or the agreed Delivery Date of the Merchandise to the Buyer even if the Buyer delays in accepting the same.
- 5.3. If the Buyer delays in accepting the Merchandise and the Seller has the Merchandise in its possession or the Seller can otherwise dispose of the Merchandise, it is required to take steps as are reasonable in the circumstances in order to preserve the Merchandise.
- 5.4. If the Buyer delays in accepting the Merchandise for more than 10 days, the Seller may withdraw from the Agreement. Withdrawal from the Agreement shall be without prejudice to the Seller's right to damages or limit the amount thereof.

Clause 6. PURCHASE PRICE OF THE MERCHANDISE

- 6.1. Unless the Agreement stipulates otherwise, the prices indicated in the current Price List shall apply to all deliveries of the Merchandise. The prices in the Price List are quoted in Czech crowns or EUR and are exclusive of VAT. The prices in the Price List also do not include shipping and packaging costs unless the Agreement stipulates otherwise.

Clause 7. PRICE DETERMINATION

- 7.1. The Merchandise is sold at full prices or at base prices with a subsequent copper surcharge.
- 7.2. The current amount of the price depends upon the copper surcharge that derives from the prices of metals at the London Metal Exchange.

Clause 8. PAYMENT TERMS

- 8.1. Unless the Agreement stipulates otherwise, the Buyer shall pay the Purchase Price of the Merchandise by wire transfer to the Seller's Account within the period of time stipulated in the Invoice delivered to it.
- 8.2. If the Purchase Price of the Merchandise is paid in EUR, the Invoice shall state independently the amount in EUR and VAT in CZK.
- 8.3. The Buyer's obligation to pay is discharged upon the date on which the relevant financial amount is credited to the Seller's Account.

- 8.4. The crediting of the owed amount to the Seller's Account is of essence with respect to compliance with the due date. The Buyer shall indicate the number of the relevant Invoice as a variable symbol for wire transfer payments.
- 8.5. The Seller may issue the Invoice at any time after the Delivery Date.
- 8.6. If the Buyer delays in paying the Purchase Price, the Parties agree on a contractual penalty of 0.1% from the owed amount per day unless the Agreement stipulates otherwise. The payment of the contractual penalty shall be without prejudice to the Seller's right to default interest at the statutory rate and compensation of damage incurred in this connection, nor shall limit the amount thereof in any way. At the same time, the Seller reserves the right to discontinue subsequent deliveries of the Merchandise, including manufacture of the Merchandise, pursuant to the Agreements entered into with the Buyer, until all claims the Seller has against the Buyer have been settled fully and the dates of delivery of the Merchandise to the Buyer shall be extended by the period of the Buyer's delay in discharging obligations pursuant to this clause.
- 8.7. If the Buyer fails to pay the Purchase Price to the Seller even within 10 days after it falls due and payable, the Seller may withdraw from the Agreement.
- 8.8. Until the Invoice is paid, the Merchandise shall remain the property of the Seller and the Buyer shall be responsible for it as the storing entity and shall bear at its own cost and liability the risk of loss, damage or destruction. The Buyer shall agree retention of title in favour of the Seller also with its clients and may not transfer the title to the Merchandise unless the Purchase Price is paid in full.
- 8.9. If the Buyer fails to pay the price of the Merchandise within 10 days after it falls due and payable, it shall return the Merchandise without any further delay immediately upon demand from the Seller at its own cost. The Buyer shall not tie the payment of the Purchase Price to the Seller to the sale of the delivered Merchandise to other persons or to the time after the Merchandise have been processed in a work completed by it or paid for by another customer. If the Buyer fails to comply with the condition of payment of the Purchase Price, the Seller may take its own Merchandise delivered to the Buyer from the place where the Buyers stores the same. The Buyer represents explicitly that it grants a permission to the Seller to enter such places. The Buyer shall keep the Seller informed about the movement of the Merchandise and the places where it is located.
- 8.10. If insolvency or distraint proceedings (*exekuční řízení*) are commenced against the Buyer, all claims of the Seller against the Buyer shall be rendered immediately due and payable on the date of commencement of the insolvency or distraint proceedings notwithstanding the due date indicated in the applicable Invoice. The Seller's claims against the Buyer shall also become immediately due and payable if it is reasonably foreseeable that the Buyer will not pay the Purchase Price for the Merchandise upon the Buyer delaying in payment of any Invoice.
- 8.11. Notwithstanding their marking or designation by the Buyer, the payments made by the Buyer shall be allocated first to accessions of the Buyer's obligations falling due and payable first and, then, to its principal. If the Buyer owes more obligations that are due and payable, the payments are allocated first to accessions of all obligations that are due and payable and, after all accessions are paid, they shall be

allocated to the principal; the accessions of the obligations that fall due and payable first shall be paid first.

- 8.12. The Buyer's right to set off unilaterally its claims against the Seller pursuant to Section 1982 of the Civil Code shall be excluded.

Clause 9. WARRANTY AND COMPLAINTS

- 9.1. The Seller provides a warranty for the Merchandise that is the subject-matter of the Agreement of 12 months from the Delivery Date.
- 9.2. The Buyer's claim for defects of the Merchandise shall be subject to the following:
- 9.2.1. the Buyer shall have discharged its obligation to inspect the Merchandise upon take-over thereof as at the date of take-over in terms of the number and integrity of boxes, palettes, cartons or other packaging of the Merchandise and shall have expressed any manifest defects of the Merchandise immediately upon take-over in a report to be signed by the Buyer's person in charge of take-over and the Seller's person in charge, as the case may be. If the Merchandise is delivered using the Seller's carrier, the Buyer shall express the above in a report to be signed by the Buyer's person in charge of take-over and the carrier's person in charge; otherwise, the Buyer's right to a complaint regarding the Merchandise shall cease to exist. Damage to the packaging of the Merchandise upon hand-over shall not be grounds for a complaint, unless a reasonable cause exists to fear that the Merchandise is also damaged;
- 9.2.2. In the event of hidden defects the Buyer shall complain about damaged or undelivered Merchandise within 2 business days of discovery; however, no later than within 7 days of receipt of the Merchandise, while the Buyer shall attach all necessary documentation evidencing the hidden defects, including photographs and videos, to its complaint and shall allow the Seller upon its request to inspect the Merchandise subject to the complaint;
- 9.3. The Seller shall inform the Buyer within 30 days of the complaint whether or not it accepts the complaint and propose the manner of resolving the complaint.
- 9.4. With respect to all claimed defects, the Buyer shall indicate the amount of damage and its calculation.
- 9.5. Failure to exercise a claim for defects in line with these GBTC shall extinguish such claims.
- 9.6. No later complaints or complaints made in conflict with these GBTC shall be accepted by the Seller.
- 9.7. The tolerance of the delivered quantity for commonly manufactured wires and cables shall be within $\pm 10\%$ of their length (if sold by their specified length) or within $\pm 4\%$ of the number of pieces (if sold by the number of pieces). Delivering the Merchandise within the tolerance shall not constitute a defect of the Merchandise and, therefore, shall not constitute grounds for a complaint.
- 9.8. The tolerance of delivered quantity for special wires and cables custom-made to the Buyer's requirements shall be within $\pm 10\%$. Delivering the Merchandise within the tolerance shall not constitute a defect of the Merchandise and, therefore, shall not constitute grounds for a complain; for these events, the following has been agreed: (i) should the Seller deliver more Merchandise within the tolerance

specified, the Buyer shall accept the Merchandise and pay the price of the actually delivered Merchandise; (ii) should the Seller deliver less Merchandise within the tolerance specified, the Buyer shall accept the Merchandise and pay the price of the actually delivered Merchandise.

- 9.9. The Buyer shall have the following claims for defective performance, in the following binding order:
- 9.9.1. the right to delivery of defect-free Merchandise or Merchandise in the required quantity, within a reasonable period of time stipulated by the Seller; and provided that the defect is not removed in this way,
- 9.9.2. the right to a discount corresponding to the difference in value between the defective and defect-free Merchandise; unless the defect is removed within a reasonable period of time stipulated by the Seller in this way,
- 9.9.3. withdrawal from the Implementing Agreement.
- 9.10. claims other than the foregoing shall be excluded.
- 9.11. The amount of the aggregate damages which the Buyer may claim shall not exceed the amount of the Purchase Price pursuant to the Agreement for the Merchandise that had not been delivered in conflict with the Agreement. Compensation for loss of profit is excluded.
- 9.12. The Seller's liability for defects in the Merchandise or related damages shall not extend to defects or damages caused by normal wear and tear, external events or third parties without the fault on the part of the Seller, in particular unauthorised interference with the Merchandise, improper handling, use for purposes other than those for which the Merchandise is intended or poor storage.

Clause 10. PACKAGING

- 10.1. The Merchandise shall be packaged pursuant to customary practices in returnable and non-returnable packaging.
- 10.2. If the Merchandise is packaged in returnable packaging, these shall be specified in the Agreement, bill of lading or Invoice as a separate item of delivery of the Merchandise. It is agreed that returnable packaging shall be sold to the Buyer with an obligation to resell it at the price and on dates specified in Schedule 1.
- 10.3. Non-returnable packaging for the Merchandise shall be charged as a separate item at full price.
- 10.4. Cables and wires are delivered by the Seller in basic packaging: rings, reels, cable drums, paper drums, DEMOPACK (NPS reels). Small rings or reels are placed in a carton as appropriate; if larger quantities of products are shipped, these are placed in a shipping pallet.
- 10.5. The length must be indicated as a unit of quantity on each shipping package. This label /nominal/ value of the length of the filling in a ring, reel or cable drum shall be determined by means of a measuring device with the smallest possible measurement error. The permitted deviation of the actual length of the Merchandise from the length indicated on the packaging shall be no more than 2% over and above the permitted measurement deviation stipulated for the specific winding device. Where the Merchandise is sold by piece, the label length value shall be for information only.

- 10.6. The fixings used in the transport of the Merchandise shall remain the property of the Seller and the Buyer shall return the same to the Seller at its own cost, no later than upon next hand-over of the Merchandise or within 6 months following delivery of the Merchandise, at the latest.
- 10.7. The Packaging Management Conditions as set out in Schedule 1 shall apply to the handling the packaging.

Clause 11. WASTE AND CABLE WASTE MANAGEMENT

- 11.1. Any remains of the Merchandise which the Buyer decides to dispose of in waste shall be classified pursuant to Act No. 185/2001 Coll., on waste, as amended, and implementing decree No. 381/2001 Coll., catalogue of waste, under catalogue number 17 04 11 as waste without hazardous properties. They shall be handed over for disposal to a person in charge for recycling. The Seller's numbers with EKO-KOM are: EK-F00150664, EK-F06240084, EK-F06240297, EK-F06020082.

Clause 12. FORCE MAJEURE

- 12.1. Neither the Seller nor the Buyer shall bear any liability for any failure to discharge their contractual obligations if such failure is the result of a force majeure.
- 12.2. If the force majeure prevents the performance of the Agreement, the Parties may agree on extensions of delivery dates and other necessary modifications.
- 12.3. If the force majeure event lasts for more than 3 months, either Party is entitled to withdraw from the Agreement with *ex tunc* effects, on the basis of a written notice delivered to the other Party to the address indicated in the Agreement. Upon withdrawal from the Agreement the Parties undertake to provide each other with any and all necessary assistance and to return any and all performance already provided to each other, within 20 days, at the latest.
- 12.4. For the Seller, a force majeure event shall include, inter alia, the following:
- a) a pandemic has been declared in the Czech Republic or in the territory of a country from which the Seller receives sub-deliveries for the manufacturing of the Merchandise.
 - b) the raw materials necessary for the manufacturing and delivery of the Merchandise are not available or are difficult to obtain at the relevant market;
 - c) the Seller does not have in stock the prices of the raw materials required for the manufacturing of the Merchandise at the date of the Implementing Agreement and their price (any of them) will increase by no less than 10% compared to the date of the Implementing Agreement.

Clause 13. CONFIDENTIALITY

- 13.1. Any information of a commercial nature which the Parties obtain in the course of performance of the Agreement shall be considered a trade secret pursuant to Section 504 of the Civil Code. The Parties shall protect and keep such information confidential from third parties. This obligation shall survive 5 years after termination of the Agreement or another form of their co-operation.

- 13.2. In the event of a breach of the Buyer's confidentiality obligation the Seller may claim contractual penalty of CZK 100,000 for each individual breach; payment of the contractual penalty shall be without prejudice to the Seller's right to full compensation for damages. The contractual penalty shall be due and payable on demand by the Seller.

Clause 14. FINAL PROVISIONS

- 14.1. Legal relations between the Parties arising from the Agreement or any other form of their co-operation shall be governed by the laws of the Czech Republic. The UN Convention on Contracts for the International Sale of Goods shall not apply.
- 14.2. These GBTC may be deviated from only on the basis of a written Agreement or other written agreement between the Parties.
- 14.3. The Seller may update these GBTC reasonably in any of their provisions. The current version of the GBTC is available at the Seller's website at www.tekacable.com. Unless the Buyer voices an explicit written disagreement with the specific amendment within 10 calendar days prior to the effect of amendment to these GBTC and terminates the Agreement within the same period of time, the Buyer shall be deemed to have expressed its consent to the amendment and the new version of the GBTC shall become binding upon all Agreements in place that have not ceased to exist by discharge and the future Agreements. In the event of disagreement with the amendment to the GBTC the Buyer shall have the option to terminate the Agreement as at the date of effect of update of the GBTC subject to the conditions of this Clause 14.3.
- 14.4. For court disputes arising from business relations between the Buyer and the Seller the territorial jurisdiction of the general court of the parties shall be regulated with reference to Section 89a of the Civil Procedure Code as follows: in matters relating to relations between entrepreneurs arising from business activities, the general court of the Seller shall be the first-instance general court with territorial jurisdiction unless the law stipulates exclusive jurisdiction of a different court in certain specific cases.
- 14.5. These GBTC shall enter into effect upon their publication at www.tekacable.com.