

GENERAL TERMS AND CONDITIONS FOR SUPPLIES OF CABLE ASSEMBLIES AND THEIR ACCESSORIES

1. General Provisions

1.1. These general terms and conditions for supplies (hereinafter the “**Terms and Conditions**”) regulate the conditions under which KABELOVNA Děčín Podmokly, s.r.o., ID No.: 26759993, with its registered office at Děčín, Ústecká 840/33, Postal Code 40533, file No. C 23349 maintained by the Regional Court in Ústí nad Labem (hereinafter the “**Seller**”) enters into purchase agreements on supplies of cable assemblies and their accessories, further also the content of these purchase agreements, and rights and obligations of the Seller and a buyer of these agreements. They also regulate matters including, but not limited to, claims arising from violations of obligations in these agreements.

1.2. The buyer is an individual or a legal entity who enters into a purchase agreement with the Seller (hereinafter the “**Buyer**”). The subject of the purchase agreement is the handover of cable assemblies and their accessories to the Buyer and the transfer of ownership title on the Buyer, while the Buyer shall take over the cable assemblies and pay the purchase price for them to the Seller in the amount and manner which are specified in these Terms and Conditions or under conditions which are agreed upon in writing between the Seller and the Buyer.

1.3. Any pricing data or other declarations and promises are valid and binding for the Seller only in the event that the Seller committed to them in writing.

1.4. The rights and obligations arising from the purchase agreement or these Terms and Conditions are governed by Czech law, especially the Civil Code. Any application of international legislation regarding agreements on the international sale of goods is excluded.

2. Orders and Conclusion of the Purchase Agreement

2.1. The Buyer expresses his/her/its interest in buying the goods through a demand inquiry delivered to the Seller, which specifies the product of the Seller and its approximate amount which the Buyer intends to order from the Seller.

2.2. Based on the Buyer’s demand inquire, the Seller will prepare for the Buyer an offer of a supply of the demanded goods, which shall bear a unique numeric designation and the Buyer shall refer to this number in all further communication with the Seller.

2.3. The offer from the Seller to the Buyer is only binding for the Seller for the period of its validity; unless the order expressly states otherwise, the offer is binding for the Seller for the period of 14 days after it was sent to the Buyer.

2.4. The purchase agreement may be entered into on the basis of an order, which shall be submitted by the Buyer to the Seller on the basis of the offer which the Seller sent to the Buyer and which shall meet the following basic requirements:

- a) accurate name of the Buyer (the name and surname of an individual or the company name of a legal entity), ID number, Tax ID number, address of the Buyer (the residence and place of conducting business of an individual or the registered office of a legal entity), bank details of the Buyer;
- b) contact person, phone number, address for the delivery of goods;
- c) specification of the ordered Seller’s product;
- d) ordered number of the product;
- e) shipping goods (cable reels, coils, pallets, other transportation filling material);
- f) manner of payment;
- g) manner of transportation;
- h) required date of the goods delivery (calendar week).

2.5. The order delivered to the Seller is binding for the Buyer. If the Buyer’s order also includes additional information than the data mentioned above or data which are in conflict with these Terms and Conditions or a written agreement between the Seller and the Buyer, especially different requirements regarding the price of ordered products than the price arising from these Terms and Conditions or a written agreement between the Seller and the Buyer, then these data are considered as unwritten for the purposes of the purchase agreement, unless the Seller exclusively agrees to them in writing.

2.6. At the moment when the Seller confirms the order to the Buyer, the purchase agreement between the Seller and the Buyer is concluded. If the Seller does not confirm the order expressly, the purchase agreement between the Seller and the Buyer is considered to be concluded in the event that the Seller supplies the ordered goods to the Buyer in accordance with the order. These Terms and Conditions form an integral part of each purchase agreement. Any variations from these Terms and Conditions are only possible if they are agreed upon in writing.

2.7. After the purchase agreement between the Seller and the Buyer is concluded, the Buyer is not entitled to change or cancel the purchase agreement unilaterally without the express written consent of the Seller. If the Buyer requests to cancel a concluded purchase agreement and the Seller agrees to this cancellation expressly in writing, the Buyer is obliged to pay to the Seller a compensation in the amount of 75% of the purchase price of the goods which was subject of such cancelled purchase agreement, unless the contracting parties agree expressly otherwise.

2.8. The Seller reserves the right to apply production and material variations in construction, unless this does not affect the quality and declared characteristics significant for the functionality of goods.

3. Prices

3.1. The prices are specified in Czech crowns, or possibly also other convertible currencies if the purchase agreement determines so. The prices are listed without the value added tax or any other additional charges or discounts which shall be specified in the purchase agreement or through a statutory rate.

3.2. The prices listen in authorized price lists or price sheets have limited validity indicated in these price lists and they only apply to the supply of a standard MOQ (Minimum order quantity). In the case that the customer requests a supply of a different size than the standard MOQ, a surcharge will be added to the price. The amount of the surcharge is specified in valid authorized price lists.

3.3. The prices only apply to specific agreed delivery places, they are within the parity of FCA Děčín, Ústecká 840/33 (in accordance with the Incoterms 2010), and they do not represent recommendation for any other businessmen or consumers.

3.4. In relation to the final prices, the contracting parties agree upon a price clause, which means that prices may be changed if changes in prices of material inputs occur. The Seller is entitled to adjust the prices in an appropriate manner, while the Seller shall inform the Buyer of this change.

4. Payment Conditions

4.1. The obligation of the Buyer to pay the selling price for the cable assemblies and their accessories is payable within 30 calendar days from the date of the invoice issuance, while the date is specified in the invoice, unless agreed upon otherwise in writing.

4.2. Between the Seller and customers who/which enter into their first purchase agreement with the Seller, or their financial standing is unverified or they are in debt towards the Seller arising from previous purchase agreements, the purchase agreement is only entered into under the condition that 100 % of the value of the purchase agreement is paid in advance. In such case, the Seller is also entitled to request that the Buyer provides security at its sole discretion (e.g. a bill of exchange or a bank guarantee without the necessity of a prior notice of the Buyer).

4.3. If the parties agree upon the payment in advance, there is a total discount of 2%. The advanced payment shall be made within ten business days after the acceptance of the purchase agreement was sent from the Buyer to the Seller. If the Buyer fails to fulfil this obligation, the purchase agreement is nullified from the beginning.

4.4. The maturity periods are considered to be complied with if the give amount is credited to the account of the creditor at the creditor's bank. If the Buyer has more debts towards the Seller, the Seller is entitled to decide which of these debts are paid through individual payments.

4.5. The off-set of claims is excluded without the prior written consent of the Seller.

4.6. The Seller is entitled to withhold delivery of goods to the Buyer, if the Buyer is in default with fulfilment of any of his/her/its obligation towards the Seller, or if the Buyer is in liquidation, or if insolvency proceedings was initiated against the Buyer, or if a reasonable concern arises that the fulfilment of obligations (including those not yet due) of the Buyer is seriously compromised. The Seller has the same right in the case that the Buyer is in default with fulfilment of his/her/its obligations towards entities with which the Seller is connected in the capital manner.

4.7. If the Buyer is in default with fulfilment of any of his/her/its debts for a period longer than 21 days, the Buyer shall pay the contractual penalty in the amount of 0,1% of the amount owed for each day of the default.

4.8. Without the prior written consent of the Seller, the Buyer is not entitled to withhold any payment (not even a part of it) for the reasons of the existence of defects in goods or for any other reasons.

5. Packaging

5.1. The price of all usual packages is included in the price. If the Buyer requests special packaging, it will deliver it to the Seller or reimburse the cost of its purchase. The buyer will also bear the increased cost of packing the goods according to his requirements, if this is more technologically demanding than usual.

6. Supplies

6.1. The Seller is entitled to fulfil its obligation from the purchase agreement through partial performances.

6.2. The cable assemblies are standardly supplied in accordance with the MOQ (minimum order quantity) which are specified in price lists, catalogue lists or specific offers. If the customer requests different quantity than standard MOQ, such quantities shall be delivered to the customer with a surcharge (see point 3.2).

6.3. If no special technical conditions are negotiated in the purchase agreement, the goods are delivered in the quality and design specified in the offer, the catalogue list or the price list, otherwise in the quality and design suitable for the purpose evident from the agreement; otherwise for the usual purpose. By sending his/her/its order, the Buyer confirms that he/she/it has become familiar with the technical characteristics of the goods.

6.4. The manner of transportation and the date of deliver are negotiated in a binding manner in the purchase agreement and they may only be changed through a written agreement between the contracting parties. If the Seller fails to deliver the agreed goods even within an additionally negotiated period, the Buyer is entitled to withdraw from the purchase agreement.

6.5. If the Buyer fails to ensure the takeover and the transportation of the agreed goods on the date of the delivery, and doesn't do so even within 10 days after a written notification of the Seller, the Seller is entitled to invoice and store the goods and the Buyer is obliged to pay to the Seller a storage fee in the amount of 0.1% of the amount of the uncollected goods for each day of the storage.

6.6. The parity of FCA Děčín, Ústecká 840/33 (according to the Incoterms 2010) shall be used for the delivery of the goods.

6.7. The Seller fulfils its obligation to deliver the goods properly and duly, if it allows the Buyer (or the Buyer's first carrier) to take over the goods at the place of performance of the agreed goods on the date of delivery. The Buyer is obliged to inform the Seller in writing about a specific individual, who will take over the goods, and the license plate of the vehicle, in which the goods shall be loaded. If the Buyer fails to do so, the Buyer bears the risk of a possible release of the goods to an unauthorized person. Without this information, the Seller is not obliged to release the goods. In the case that the goods are sent by the Seller to a certain location, which is not an establishment of the Buyer, the Buyer is obliged to inform the Seller of the person who shall take over the goods in the same manner as described above, and the Buyer is also obliged to ensure that this person is present at the given location. If the Buyer fails to fulfil these obligations or fails to ensure takeover of the goods from the carrier in the case it was sent to the establishment of the Buyer, the Buyer bears the risk of potential loss or damage to the goods, and the Buyer is also obliged to reimburse the Seller for the full costs of potential repeated transportation of goods. However, the provision of the first sentence of this point is not affected by this arrangement in any way.

6.8. In the case that the advanced payment was negotiated, the date of deliver is postponed by the time that it took to the Buyer to perform the payment of the purchase price after added to the date of entering into the purchase agreement.

6.9. If the Seller is unable to comply with the date of delivery demonstrably due to force majeure (state intervention, war measures, strikes, and similar), the Seller shall inform the Buyer about the occurrence of force majeure without undue delay and the date of delivery shall be postponed by the time the force majeure will last. After the disappearance of force majeure, the contracting parties shall negotiate measures to fulfil the agreement. The Buyer is entitled to ask the Seller to cancel the agreement for the reason that the Buyer's need of the goods no longer exists.

6.10. If the Seller is in default with the delivery of agreed goods for any other reasons than those specified in 6.9., the Buyer is entitled to the contractual penalty in the amount of 0.5% from the value of the delayed goods for each full week of the delay, yet only up to 5% of the value of the delayed goods.

6.11. If the goods are delivered to the address of delivery under the parity FCA according to art. 6.6 of hereof, or under any other terms under which the Buyer secures the transport from the place of performance to the address of delivery, the Buyer is obliged to issue a confirmation on delivery of goods without undue delay after delivery of goods to the address of delivery and send it to the Seller. The confirmation on delivery of goods to the address of delivery contains at least the identification of the Buyer according to art. 2.4 (a) hereof, number or other identification of the order, address of delivery and date of delivery of goods. In case the Buyer does not issue such confirmation even within 10 days after a request of the Seller, the Seller is entitled to apply parity DAP or DDP (Incoterms 2010) at the sole discretion of the Seller for any other deliveries of goods, whereas the price for the goods will be increased by the price of transport of such goods and other incidental costs.

7. Attachment of Risk, Reservation of the Property Title

7.1. The risk of damage, loss or destruction passes to the Buyer at the moment when the Seller enabled the Buyer or the Buyer's first carrier on the date of deliver to take over the agreed goods at the place of performance, or when the goods was handed over to the Buyer or the Buyer's first carrier, whoever comes first.

7.2. Without special request of the Buyer, the supply is not insured against theft or transport and fire damage. If the Buyer requests a conclusion of an insurance agreement, this agreement shall be concluded at the Buyer's expense.

7.3. The cable assemblies remain in the ownership of the Seller until the full payment of the cable assemblies supply, including any related costs (VAT, transportation and packaging costs, etc.). Together with the ownership title to the goods, pallets and other transportation filling material (e.g. coils, cable reels, etc.), the Buyer also assumes the obligations to take back and recycle any waste originating from them in accordance with the provisions of Section 10 and 12 of Act No. 477/2001 Coll., on packages.

7.4. Free of charge, the Buyer shall retain any cable assemblies to which the Seller has the ownership title.

7.5. The Buyer undertakes to protect with due diligence the goods, to which the Seller has the ownership title, from damage, destruction, decrease or loss, also in relation to the Buyer's customers. The Buyer undertakes to carry out timely and necessary maintenance or inspection of the goods at its own expense.

7.6. The Buyer is entitled to process and monetize the goods, to which the Seller 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 Buyer is obliged to inform its customers to full extent about the Seller's ownership title to the goods. The Buyer is not entitled to pledge or transfer the cables, to which the Seller has the ownership title, to a third party for the purposes of providing security. The Buyer advances any claims of the Buyer regarding the goods, to which the Seller has the ownership title, which arise to the Buyer from the following sale or any other legal title, to the Seller for the purposes of provided security right now free of charge to full extent and with all accessories, and the Seller accepts this advance. The Seller hereby authorizes the Buyer to cash at its own expense any claims of the Buyer also at the time after the advance of these claims. The Seller is entitled to withdraw this authorization at any time. The Buyer is obliged to inform the customers about the advance of the Buyer's claims against these customers.

7.7. Based on the Buyer's request, the Seller undertakes to reduce or terminate the provision of security to such extent and for such part of the goods, whose realized value of security provided to the Seller exceeds the claims of the Seller by more than 20%. Only the Seller is entitled to decide which part of the cables shall be released from the security.

8. Warranties

8.1. The Seller provides a warranty for quality for the period of 6 months after the moment when the risk for a specific piece of goods passed to the Buyer. Apparent defects shall be reported upon receipt.

8.2. The warranty shall not apply to damage caused by improper and negligent handling or usage, by using unsuitable accessories or inappropriate materials with the goods or improper storage of the goods, either by the Buyer or a third party.

8.3. Apparent defects (visible to the eye) shall be claimed immediately after the Buyer had the opportunity to inspect the goods, but no later than 14 days after the moment when the risk passed to the Buyer. Hidden defects shall be claimed immediately after the Buyer detects them or could have detected them and should have if the Buyer proceeded with due diligence.

8.4. The warranty for quality expires if the Buyer or a third party improperly handles the delivered goods without the written consent of the Seller or if the Buyer or a third party makes modifications or repairs without the written consent of the Seller.

8.5. The warranty does not apply to the defects of material delivered by the Buyer or defects caused by this material.

8.6. The Seller assumes no responsibility for any damage due to acts of third parties.

8.7. Any justified return of the delivered goods to the Seller is only possible upon prior written notification and a proper warranty claim proceeding.

8.8. The Buyer is obliged to claim all defects by the Seller without undue delay after the Buyer detected them, or after the Buyer should have detected them with due diligence during an inspection that the Buyer is obliged to perform under the previous point of these Terms and Conditions. The defects shall be claimed in writing with the following information:

- a) specification of the claimed defect,
- b) claimed amount,
- c) number of the invoice or the delivery note,
- d) number of the reel or the coil,
- e) date of dispatch,

- f) contact information of a person authorized to discuss the warranty claim,
- g) choice of the claim under Sections 2106 or 2107 of the Civil Code.

8.9. The Seller is obliged to comment on the warranty claim within 30 days after the day the Seller received its written version. In the case that the Seller considers its own inspection of the claimed goods necessary for the assessment of the warranty claim, the Buyer is obliged to return the goods to the Seller on the original reel with original dispatch (identification) labels, but no later than one month of the day of receiving the Seller's notice in this matter. In such case, the Seller is obliged to comment on the warranty claim within one month after the Seller receives the claimed goods. If the Buyer fails to comply with the periods specified above, it is assumed that the Buyer does not insist on the warranty claim and it thus expires. The expenses for returning or disposing of the defected goods shall be borne by the Seller only in the case if the warranty claim proves to be legitimate.

9. Place of Performance

According to the choice of the Seller, the place of performance for all statutory and contractual claims is the establishment or the warehouse of the Seller located in Děčín, Ústecká 840/33.

10. Termination of the Agreement

10.1. Unless otherwise specified elsewhere, the Buyer is entitled to terminate the purchase agreement or its part only through a written agreement with the Seller. If the event arises, that the Buyer is obliged to pay to the Seller compensation for costs actually incurred by the Seller for the purposes of delivery of the agreed goods, even if such costs arise after the effectiveness of the written agreement with the Seller (e.g. cancellation fees).

10.2. If the Buyer is in default with any payment to the Seller or to a person, with which the Seller forms a group of companies, for more than 60 days or if the Buyer is in default with any payments repeatedly, or if the Buyer is in default with several payments at the same time, the Buyer loses its contractual claim on negotiated price and payment conditions and the Seller is entitled to withdraw from all purchase agreements with this Buyer.

10.3. The Seller is also entitled to withdraw from all purchase agreements with the Buyer if the Buyer enters into liquidation, or if an insolvency petition is filed against the Buyer under the Insolvency Act, or if the Buyer's bankruptcy is detected, or if the Buyer's property is declared to be under bankruptcy, or if the reorganisation of the Buyer is authorised under the Insolvency Act, or if the insolvency petition filed against the Buyer is rejected for lack of assets. The withdrawal from the contract does not in any way affect the right of the Seller to any compensation, including lost profits which were lost due to the termination of contracts and the right to a contractual penalty.

11. Processing of personal data

11.1. The Parties, as controllers of personal data as specified in the General Data Protection Regulation (EU) 2016/679 (hereinafter the "GDPR"), shall process personal data obtained from the other Party and their representatives within negotiations on concluding and executing the Agreement in compliance with the regulations identified in the GDPR and these terms and conditions.

11.2. The subject of the processing of personal data is the personal information of the other Party, its representatives, employees, co-operators or members of statutory bodies (hereinafter the DATA SUBJECTS"), especially: (i) identification data (e.g., name and surname, job title) and (ii) contact details (e.g., e-mail address and telephone number).

11.3. The Parties shall process the personal information of the Data Subjects to the extent necessary for the performance of their obligations under the Agreement, for exercising their rights, and for compliance with legal obligations and related business communication. The Seller may also process the contact personal data of the Data Subjects for the purpose of sending business offers, newsletters and similar marketing and business communication.

11.4. With regard to the processing of the personal data of the Data Subjects, the Parties declare that they shall (i) process personal information pursuant to the requirements of the GDPR; (ii) facilitate the exercising of the rights of the Data Subjects subject to the GDPR; (iii) ensure the persons processing personal data shall keep them confidential; and (iv) delete the personal data of the Data Subjects after the termination of the purpose of processing subject to the Agreement.

11.5. The Purchaser also undertakes: (i) to inform the Data Subjects of the Purchaser about the processing of their personal data by the Seller in connection with entering into and performing the Agreement subject to these terms and conditions, including their related rights as Data Subjects under the GDPR and the possibility to acquaint themselves with the Personal data processing policy available on the website of the Seller, and (ii) to inform the Seller in case of any alteration to the Data Subjects or their personal data notified to the Seller.

12. Final and Transitional Provisions

12.1. These Terms and Conditions become valid and effective on May 1, 2019.

12.2. These Terms and Conditions shall be annexed only to the first purchase agreement concluded with the Buyer. They shall not be annexed to any following purchase agreements, since the Buyer has already become familiar with them.

12.3. The Buyer assumes the risk of changes in circumstances within the meaning of Section 1765/2 of Act No. 89/2012 Coll., the Civil Code, as amended.

12.4. In the event that any provision of these Terms and Conditions becomes completely or partly invalid, ostensible, ineffective or unenforceable, yet it would be valid, effective and unenforceable if part of it was deleted, this provision or its part shall thus be considered to be deleted in the extent that is necessary for the validity, effectiveness and enforceability of these Terms and Conditions as a whole, while preserving the original economic meaning of the given provisions as far as possible. In such a case, within fifteen days after a notice of either of

the contracting parties, they shall replace such invalid, ostensible, ineffective or unenforceable provision with a provision which will best meet the meaning of such invalid, ostensible, ineffective or unenforceable provision.

12.5. The purchase agreement and any other agreements concluded between the Seller and the Buyer in relation to the supplies of goods may only be changed or amended in a written form.