

GENERAL SALES CONDITIONS OF SKLOSTROJ TURNOV CZ, S.R.O.

1. Parties. "Sklostroj" shall mean Sklostroj Turnov CZ, s.r.o., a company incorporated and existing under Czech law, with its registered office at Přepeře, No. 210, Postal Code 512 61, Czech Republic, ID No.: 60111739, registered in the Commercial Register maintained by the Regional Court in Hradec Králové, Section C, Insert 5522. Sklostroj shall also mean Sklostroj International, s.r.o., OOO "Sklostroj Turnov RU", Sklostroj Kempten GmbH, SKLÁŘSKÉ STROJE ZNOJMO, s.r.o. or any other company belonging to the same group as Sklostroj, if it refers to these terms and conditions in its offer or order confirmation. The "**Customer**" shall mean the person, who purchases Sklostroj's products or services. The Customer and Sklostroj are hereinafter also collectively referred to as the "**Parties**" and individually as a "**Party**".

2. Scope of Application. 1. The below-mentioned provisions of these general sales conditions (the "**Conditions**") shall apply to all deliveries made by Sklostroj in addition to any terms and conditions set forth in any individual Sklostroj offer or any plans, specifications or other documents incorporated by reference into such individual offers (all such documents collectively, the "**Offer**"). These Conditions shall apply even if the Offer or an order confirmation does not expressly refer to these Conditions provided that these Conditions are demonstrably known to the Customer (e.g. from the negotiation of the Offer or from a previous contractual relationship governed by these Conditions) unless Sklostroj has expressly excluded the applicability of these Conditions.

2. These Conditions shall apply whenever Sklostroj acts as a seller of any goods in a contractual relationship. These Conditions shall also apply whenever Sklostroj acts as a contractor of any work or as a provider of any services provided for consideration; in such a case, the provisions of these Conditions shall apply mutatis mutandis unless it is clear from the nature of the matter at hand that provisions of these Conditions cannot be applied.

3. These Conditions, as well as any amendments thereto and updated versions thereof, are available to the Customer on Sklostroj's website www.sklostroj.cz.

3. Offer, Conclusion of the Contract. 1. Contracting process between the Parties shall always be initiated by Sklostroj sending an offer to the Customer, signed by an authorized representative of Sklostroj. This is without prejudice to Sklostroj's right to accept the Customer's offer if it sends to Sklostroj a binding offer for the conclusion of the Contract.

2. Sklostroj's offer is always sent in writing. Any oral, telephonic or other similar representations by Sklostroj that are not made in writing nor any prior written consultations between the Parties, correspondence regarding price negotiations or delivery specifications that are not identified as an Offer, shall not be considered an Offer or other binding proposal to conclude a contract.

3. The Sklostroj's Offer is valid only for the duration of its validity period. If the Offer does not specify a validity period, the validity period is 30 calendar days from the date of its issue. The Offer shall also expire if Sklostroj sends an updated Offer for the same subject-matter.

4. Sklostroj is entitled to withdraw the Offer in writing for important reasons at any time. In particular, Sklostroj is entitled to withdraw the Offer if important reasons concerning the Customer's person, pricing, availability of the goods or its parts being offered, delivery time and/or financing arise during the validity period.

5. If the Customer decides to accept the Offer, the Customer's intention to enter into a contract with Sklostroj must clearly and undoubtedly follow from the Customer's acceptance. The Offer becomes a binding agreement at the moment when the Customer confirms in writing to Sklostroj that it has accepted the Offer (the Offer accepted by the Customer is hereinafter referred to as the "**Contract**").

6. If the Customer rejects the Offer, the Offer is rendered invalid.

7. If Customer delivers the acceptance of the Offer to Sklostroj after the expiry of its validity period, after its withdrawal by Sklostroj or after its rejection by the Customer, the Contract is not concluded. Sklostroj is entitled, however not obliged, to notify the Customer in writing that it treats the acceptance of the Offer as timely made. The same shall apply where the Customer does not send Sklostroj an acceptance of the Offer but pays to Sklostroj the price of the goods or a part thereof or provides other performance or collaboration from which it can reasonably be concluded that the Customer intends to enter into the Contract.

4. Other, Different and Conflicting Terms and Conditions. 1. If Sklostroj expressly submits any Offer to the Customer, the Offer is made with a reservation that the agreement with the Customer shall be governed by the exclusively by these Conditions. Sklostroj hereby rejects the application and shall not be bound by any additional, different and conflicting terms and conditions attached to the order or acceptance of the Offer made by the Customer, which are referred to in any way by the Customer and/or contained in any correspondence between the Parties (including any forms, letters or documents of the Customer). Any variation and/or modification of the Conditions shall only be binding for Sklostroj if it is expressly set out in Sklostroj's written Offer or the order confirmation made by Sklostroj.

2. Without prejudice to the foregoing, Sklostroj may refer in the Offer to other terms and conditions, in particular Incoterms, Orgalime or other terms and conditions developed by professional organizations. Such other terms and conditions shall apply to the Contract to the extent that they do not conflict with the provisions of the Contract and these Conditions.

5. Price, Terms of Payment, Invoicing. 1. The price is specified in the Contract.

2. The Price specified in the Offer does not include taxes and charges relating to and/or associated with the purchase of goods or services under the Offer, and in particular does not include value added tax and/or any other similar tax or charge or other payment, unless otherwise expressly specified in the Offer. The Customer shall pay all taxes, fees and other similar payments to which it is liable under generally binding applicable regulations. In the event that Sklostroj shall be required to pay any tax, fee and/or similar payment to tax, customs or other public authorities of any state in connection with the performance of the Contract, Sklostroj shall be entitled to add such a payment to the Price and to invoice it to Customer.

3. The Price includes only the performance that is expressly specified in the Contract. In the event that the Customer agrees with Sklostroj on any additional deliveries, performances, additional works or any other performance not specified in the Contract, the Customer shall be obliged to pay the price for such additional performance, and such performance shall be provided

- a) at prices specifically agreed by the Parties; if not agreed, then
- b) at the unit prices for the same performance which are specified in the Contract; if these are not agreed either, then
- c) at prices which are customary for a similar performance in the single market of the European Union; or
- d) in case of technical assistance or other additional performance related to the performance of the Contract consisting in the personal provision of services by Sklostroj's personnel at the Customer's premises (e.g. installation, commissioning, training of personnel), at the rate of EUR 900 or its equivalent in the applicable currency per each commenced manday.

4. All prices and amounts under the Contract shall be paid in the currency of the price of the goods. The Customer bears the risk of fluctuations in exchange rates. In the event that the Customer pays the purchase price or any part thereof in a currency other than the currency specified in the Contract, Sklostroj shall be entitled to claim from the Customer compensation of any costs associated with the conversion of the currency into EUR or CZK.

5. Unless otherwise expressly agreed in the Contract, the Customer is obliged to pay to Sklostroj an advance payment in the amount of 100% of the Price. If only a partial advance payment is agreed, the remainder of the Price under the Contract shall be invoiced upon handover of the goods to the

first carrier or the Customer, whichever occurs earlier. A late payment of the advance payment or any other payment shall entitle Sklostroj to postpone the delivery dates under the Contract for the period of delay and for the time necessary to resume performance after suspension due to the Customer's delay in payment. The Customer is not entitled to make payment of the advance payment or any other payment of the price to Sklostroj conditional upon the provision of a bank guarantee or any other security.

6. All invoices issued by Sklostroj are payable within 15 (fifteen) days from the date of the proper delivery of an invoice to the Customer by Sklostroj. Sklostroj shall deliver the invoice to the Customer to an e-mail address provided by Customer as a contact address for the delivery of invoices; if no such address is provided by Customer, then to any Customer's e-mail address or in writing via post to the Customer's seat or any other Customer's place of activity. If the Customer does not confirm receipt of the invoice, the date of delivery of the invoice shall be deemed to be the date of its sending by Sklostroj if sent electronically, or the third day after its sending if sent via post.

7. In the event of Customer's delay in payment of price or any part thereof, a contractual default interest shall accrue to the owed amount at the rate of 0,1% of the owed amount for each commenced day of default.

8. Sklostroj is entitled to set off any of its receivables or other claims that it may have against the Customer (whether time-barred or not), regardless of the time and manner of their occurrence, against any amounts due under or in connection with the Contract.

9. Sklostroj may, at its discretion and without prejudice to any of its other rights, partially withdraw from the Contract to the extent of any unfulfilled part until the Customer has made proper and complete payment of the price within the time limits specified in the Contract. If payment of the price is agreed in several successive payments, Sklostroj is entitled to withdraw from the Contract according to the preceding sentence until at least 30% of the price under the Contract has been paid to Sklostroj.

6. Transport, Assembly and Installation Costs. 1. Unless otherwise expressly stated in the Contract, the price set out in the Offer does not include any costs associated with packing, transportation, insurance, loading, unloading, transshipment, assembly, installation, testing or other similar activities carried out in connection with the subject-matter of the Contract, and the Customer may be charged additional fees by Sklostroj for such services. All shipments to the Customer for which freight charges are charged shall be prepaid by the Customer. The Customer shall be liable for the payment of any freight charges, taxes, fees, duties and/or other related payments and shall not be entitled to require the Sklostroj to pay any such amounts, unless otherwise expressly agreed in the Contract.

7. Delivery Terms. 1. Unless otherwise expressly specified in the Contract, DDP (Incoterms 2020) delivery terms shall apply to any delivery under the Offer, with the place of delivery being Přepeře No. 210, 512 61, Czech Republic.

2. In the event that Sklostroj arranges for carriage of the goods in accordance with the Contract, the Customer shall provide Sklostroj with all assistance necessary or appropriate to ensure the carriage of the goods to the place of delivery.

8. Specification, Changes. 1. Sklostroj is not entitled to make any changes as to the type, quantity, material, characteristics, specification or design of the goods or services specified in the Contract (the "Change").

2. If Sklostroj finds out that it necessary or appropriate to make any Change after the conclusion of the Contract, it shall inform the Customer of it. The Customer shall then respond by either accepting or rejecting the proposed Change. If the Customer rejects the proposed Change, Sklostroj shall not be liable for any consequences arising therefrom. If the Change arises from circumstances not

attributable to Sklostroj, Sklostroj shall be entitled to make such a Change upon notification of the Customer, regardless the Customer's consent or written confirmation.

3. If the Customer requests a Change from Sklostroj, the Change will only take effect if agreed in writing by Sklostroj. If Sklostroj does not grant its consent with the Change, the Customer shall have no rights thereunder. In the event that Sklostroj agrees to the Change, Sklostroj shall be entitled to charge the Customer for all costs associated with the implementation of the Change and to postpone the delivery date for the time necessary to implement the Change. Unless the effect of the agreed Change to the price and delivery time is agreed between the Parties, the following shall apply

- a) in the case of an extension of the scope of the Contract, the impact on the price shall be determined in accordance with Article 5(3) of these Conditions above; in other cases (e.g. design change) Sklostroj shall be entitled to increase the price by the additional costs associated with the implementation of the Change, plus Sklostroj's reasonable margin; and
- b) the impact on the delivery time shall be determined by Sklostroj reasonably taking into account the agreed delivery time, the nature and extent of the Change so that the newly determined delivery time enables Sklostroj to perform the Contract in time even with the Change.

9. Documentation. 1. If required by law or customary in the production activities of Sklostroj, documentation related to the goods shall be delivered together with the goods to the extent necessary. Sklostroj shall deliver to the Customer the documentation necessary for the proper and complete use of the goods in the Czech Republic. The documentation may also be delivered in electronic form.

2. The goods that is not manufactured by Sklostroj itself but supplied by Sklostroj with the engagement of a subcontractor may be supplied with documentation from the actual manufacturer. In such a case, Sklostroj may deliver the goods with the documentation from the manufacturer, without any responsibility for its accuracy and completeness.

3. The Customer is obliged to comply with all instructions and guidelines concerning the handling, use, maintenance and repair of the Goods as set out in the manuals (user's guides) and other documentation supplied with the goods.

4. By accepting the Offer, the Customer represents to Sklostroj that it has provided Sklostroj with complete, correct and accurate information necessary to manufacture and deliver the goods in proper design and specification suitable for the agreed purpose and has received from Sklostroj satisfactory explanations of any ambiguities (if any). The Customer shall be responsible for the accuracy and completeness of the information and documentation provided. In the event that at any time after acceptance of the Offer the information or documentation provided by Customer proves to be inaccurate, incorrect or incomplete, the rules for making the Changes under Article 8 of these Conditions shall apply *mutatis mutandis*.

5. If Sklostroj deems it necessary or appropriate, it is entitled, but not obliged, to request from the Customer additional information or documents concerning the goods, in particular information about the equipment or the place where the goods are to be installed, about the Customer's production, about the media feeds to the technological equipment and their location, about the type of equipment that precedes or follows the goods in the production line etc.

10. Delivery Time. 1. Shipment and delivery shall be made in accordance with the Contract; if no delivery time is specified in the Contract, the goods shall be delivered within a reasonable period of time within the capabilities and at the discretion of Sklostroj.

2. Unless expressly stated otherwise in the Contract, the delivery times specified in the Contract are set as indicative and non-binding and may unilaterally be changed by Sklostroj with regard to the availability of materials, components of the delivery, the time of performance of Sklostroj's subcontractors and other relevant circumstances. Sklostroj is obliged to notify changes to the delivery time without undue delay and always stating the reason for such change.

3. The running of any delivery times is dependent on the timely and proper payment of the Price by the Customer. During the period of Customer's default, Sklostroj shall not be obliged to perform the Contract or undertake any manufacturing or commercial activity aimed at the performance of the Contract. If the Contract provides for an obligation to pay an advance or any progress payment before delivery of the Goods, in the event of default by the Customer, the delivery time shall be automatically extended by the number of days corresponding to the Customer's default in payment of any such payment and, if necessary in the particular case, by the number of days required for Sklostroj to resume production and ensure performance of the Contract.

4. If Sklostroj has a reasonably justified concerns regarding enforceability of its claims against the Customer, in particular (but not exclusively) if (i) an insolvency petition or an action for payment, which exceeds the Customer's ordinary business activity, is filed against the Customer (ii) Sklostroj has overdue claims against the Customer from previous contractual relationships, or (iii) Sklostroj becomes aware of Customer's obligations to any third parties which raise doubts as to Customer's ability to perform the Contract, Sklostroj shall be entitled, at its sole discretion, to require the Customer to pay the price or the unpaid amount thereof by advance payment or require the Customer to provide a security in the form acceptable for Sklostroj up to 125 % of the value of the unpaid amount. Par. 3 of this Article shall apply mutatis mutandis for the period from the time Sklostroj sends the notice to the Customer until the Customer pays the advance payment or provides the security. If the Customer fails to comply with Sklostroj's notice within the reasonable period set by Sklostroj, Sklostroj shall be entitled to withdraw from the Contract.

5. The Customer is obliged to accept the goods. If, in accordance with the Contract, it is agreed that the Customer shall arrange for carriage of the goods, the Customer is obliged to ensure that the carrier procured by the Customer arrives on the agreed day at the agreed loading point, and to provide all other assistance, in particular to inform the Sklostroj staff of the date of loading of the goods and to provide all other assistance. In the event that the Customer fails to accept the goods even on the last day of the delivery time or fails to arrange transport of the goods from the agreed loading point, Sklostroj shall be entitled, at its sole discretion, to store the goods at the Customer's expense and risk or to arrange for carriage of the goods to the Customer's plant at the Customer's expense and risk. The storage fee shall be 5% of the price of the goods for each commenced month of storage.

11. Risk of Damage, Transfer of Ownership. 1. The risk of damage to all goods delivered under the Contract shall be transferred from the Sklostroj to Customer in accordance with the agreed Incoterms delivery terms; if these are not agreed, the Sklostroj shall bear the risk of damage to the goods up to the moment it is handed over to the first carrier or the Customer, whichever occurs first.

2. The Customer acquires ownership of the goods at the moment of payment of the price in full, but not before the moment of passage of the risk of damage to the goods.

12. Quality Warranty. 1. Unless otherwise agreed in the Contract, Sklostroj shall provide the Customer with a quality warranty of 12 (twelve) months (the "**Warranty Period**") for all delivered goods. The Warranty Period for spare parts and accessories is 6 (six) months. The Warranty Period shall commence from the date on which the goods were or should have been delivered in accordance with the Contract, whichever occurs earlier.

2. Sklostroj warrants that the goods will be free from any defects in quantity, legal and quality (except cosmetic defects) on the date of the transfer of the risk of damage, provided that it is used in a standard manner, throughout the Warranty Period and will comply with all legal requirements for use in the European Union; Sklostroj does not warrant compliance of the goods with the laws of other countries and certification of the goods in third countries. If the characteristics or parameters of the goods are not expressly agreed in the Contract, then they must have the usual characteristics and parameters. (the "**Warranty**").

3. The Customer is entitled to claim any defect of the goods at any time during the Warranty Period. However, the Customer is obliged to notify Sklostroj about the defect in the goods immediately after the defect became apparent or when the Customer had the opportunity to discover the defect. Sklostroj shall be entitled to reject any Customer's claim which was caused by the Customer's late notification about the defect in the goods or such late notification contributed to it, even if it would otherwise be a valid and enforceable claim under the Warranty.

4. Sklostroj shall choose the method of removal of the defect at its own discretion, in particular by (i) repairing the goods, (ii) supplying any missing parts of the goods, (iii) replacing the goods, or (iv) providing a reasonable reduction of the price of the goods. Sklostroj is entitled to change the choice of the method of removal of the defect if the original method proves to be impossible or inappropriate. Sklostroj shall immediately notify the Customer about the change in the method of removal of the defect without undue delay.

5. The Warranty does not cover and Sklostroj is not liable for: (i) usual wear and tear of the goods; (ii) defects, damages, losses or costs resulting from improper or incomplete handling, storage, assembly, operation or maintenance or other use of the goods by the Customer or third parties, or caused by failure to follow Sklostroj's manuals or instructions; (iii) defects, damages, losses or costs caused by third party equipment forming part of the production line together with the goods or their improper operation; (iv) modifications to the goods made by the Customer or third parties without Sklostroj's prior consent; or (v) consumable material and parts and (vi) any other Customer's acts or omissions, including but not limited to Customer's or third parties' repairs and exposure of the goods to demanding operating conditions. In such cases, the provisions of the preceding paragraphs of this Article shall not apply.

6. If Sklostroj deems it necessary or appropriate, Sklostroj will give the Customer any special instructions regarding the storage of the goods, the transportation of the goods and other handling and manipulation of the goods which deviate from the normal handling of engineering products. If Sklostroj does not give the Customer such special instructions, the Customer is obliged to store the goods prior to installation in a closed, dry, dustless, clean and lockable warehouse with a temperature of 5-35°C and a maximum of 80% humidity without condensation.

13. Damages. Without prejudice to any other rights of Sklostroj arising under Contract and/or applicable law, Sklostroj shall be entitled to claim any losses, expenses (including reasonable legal fees) and damages suffered as a result of Customer's failure to pay the price, or any part thereof when due, to accept the goods or any part thereof without good reason, or otherwise breached Contract, in particular the expenses incurred in connection with the storage of goods not taken over or compensation for incidental and consequential damages caused by the Customer's non-performance, including damages and contractual penalties that may be claimed by third parties against the Sklostroj as a result of the Customer's non-performance. Sklostroj's claim for contractual penalty, if agreed, or for contractual default interest do not in any way affect its claim for damages against the Customer.

14. Limitation of Liability. In no event shall Sklostroj's liability to the Customer, its employees, representatives, agents, contractors or subcontractors for any claim arising directly or indirectly out of the Contract exceed an amount equal to the price of the goods to which such claim relates. At the same time, Sklostroj shall only be liable for actual damage caused by the sole fault of Sklostroj; Sklostroj's liability to Customer for any lost profit, production losses or other indirect or consequential damage shall be excluded. Furthermore, Sklostroj shall not be liable to the Customer for any contractual penalties and/or any other sanctions. The limitation of liability for damage does not apply to cases of damage caused by Sklostroj intentionally or through gross negligence and also to cases of damage inflicted to natural rights of an individual (natural person).

15. Intellectual Property Rights. 1. Unless otherwise expressly agreed in the Contract, all intellectual and industrial property rights to the supplies, all documentation supplied by Sklostroj and all software, know-how and other assets supplied with or as part of the supplies are the sole property of Sklostroj. These rights are not transferred to the Customer nor is any license granted to the

Customer to use them. The Customer is not entitled to undertake any reverse engineering, decompile or copy the supplies or any part thereof and shall ensure that third parties do not undertake such actions either.

2. However, without prejudice to par. 1 of this Article, if the goods supplied include software or if the performance under the Contract consists in the provision of services or the performance of a work protected by intellectual and/or industrial property rights, Sklostroj grants the Customer a licence to use such software or other results of Sklostroj's intellectual activity. The right to use the software or other results of Sklostroj's intellectual activity is limited only to the purpose for which they are intended. Unless proved otherwise, it is deemed that the purpose for which the software or other results of intellectual activity are intended is the use of the goods for the purpose of producing glass packaging on a particular Sklostroj's glass machine. The licence under this paragraph is further limited only for the period of operation and use of the goods.

16. Confidentiality. 1. The Customer undertakes to maintain confidentiality with respect to all documents, data and any other information of a contractual, commercial or technical nature that is provided or communicated by Sklostroj or that otherwise comes to its attention in connection with the negotiation or performance of the Contract, for an indefinite period of time, until these facts become public knowledge. The Customer shall ensure that the confidential information shall be disclosed only to those employees of the Customer who necessarily need to know such information for the performance of their work in connection with the performance of the Contract, or to persons contractually bound to confidentiality at least to the same extent as the Customer is bound to Sklostroj, and that it shall take adequate internal technical measures to prevent disclosure of confidential information pursuant to these Conditions.

2. In particular, the Customer shall ensure that the Customer, as well as its contractors, employees, officers, representatives, agents or other collaborators shall maintain confidentiality in particular with respect to any prices agreed between Sklostroj and the Customer, whether under the Contract or any other contracts concluded between the Customer and Sklostroj, information regarding orders, technical specifications for deliveries or requests for quotations and other non-public activities relating to Sklostroj, as well as any information relating to upcoming or completed contracts and projects of Sklostroj, and shall treat such information as a trade secret.

3. The Customer further agrees that all drawings, models, templates, patterns and similar items (hereinafter referred to as "**Technical Documentation**") provided to the Customer by Sklostroj shall not be retained or otherwise made available to unauthorized third parties. The Technical Documentation may only be used within the scope of the agreement with Sklostroj. No use of the Technical Documentation is permitted without prior consent of Sklostroj. The Customer undertakes to hand over the Technical Documentation to Sklostroj at the end of the cooperation with Sklostroj or upon the first notice, if not possible, to destroy all paper and electronic copies of the Technical Documentation and not to retain any copy thereof. The Customer undertakes to treat all non-public technical information of which it becomes aware through its business relationship with Sklostroj as a trade secret to provide it with appropriate protection.

4. The obligation of confidentiality under this article does not apply if the Customer receives Sklostroj's express written consent to disclose confidential information to a third party, if the confidential information becomes public knowledge for reasons not attributable to the Customer or if the Customer is obliged to disclose the confidential information on the basis of a decision of a court or other public authority; however, the Customer is obliged to inform Sklostroj of such a case without delay after receiving a request from the competent authority to disclose the confidential information.

5. The Customer shall ensure that the Customer and its employees, officers, representatives, agents or other collaborators refrain from making public negative statements about Sklostroj or contractual collaboration with it in media.

17. Special Provisions for Other Contract Types. 1. If the subject-matter of performance of the Contract consists in the performance of work, the provisions of the Conditions shall apply mutatis

mutandis, unless otherwise provided in this article. It is presumed that the price of the work is agreed as a fixed amount and includes only works expressly mentioned in the Contract. If the price of the work is set according to a budget, the budget is agreed upon as indicative and may be amended and supplemented by Sklostroj. Unless otherwise expressly agreed in the Offer, the Sklostroj shall be entitled to require an advance payment. If Customer provides the Sklostroj with materials, components or other items for the purpose of performance of the work, these items, as well as the items created or assembled from them, becomes Sklostroj's ownership. The work is deemed to have been performed if it is completed and handed over. The work is completed when the work is tested to demonstrate its ability to serve its purpose and to achieve the agreed performance parameters; the test may take place without presence of representatives of Customer. The work is handed over at the moment when it is made available to the Customer, or, if it is a work with an intangible result, when the Customer is allowed to use the work. The Customer is not entitled to refuse to accept the work if the work has only minor or cosmetic defects that do not prevent the functionality of the work.

2. If the subject-matter of performance of the Contract consists in the provision of services, the provisions of the Conditions shall apply mutatis mutandis, unless otherwise provided in this article. It is presumed that the price of the services is agreed upon as a fixed amount and includes only services expressly mentioned in the Contract. However, if the price of the services is set on an hourly or daily basis, the Sklostroj shall keep proper records of the time sheet and to submit such records to the Customer and on the basis of submission of such records. Sklostroj shall be entitled to payment of the price of the services without further delay, while if the Customer does not send to Sklostroj its written reasoned objections to these records within 3 (three) days from the date of their submission by Sklostroj, the records are deemed to have been agreed. Unless expressly stated otherwise in the Contract, the price for the services shall include only those costs of Sklostroj related to the provision of the services that are expressly stated in the Contract; Sklostroj shall be entitled to charge the Customer for all other costs.

3. Contracts with continuous or recurring performance concluded for an indefinite period of time may be terminated by Sklostroj with a one-month notice period starting on the day of delivery of the notice of termination to the Customer, unless Sklostroj specifies a longer notice period in the notice of termination.

18. Assignment. This Contract shall be binding also to legal successors of the Parties. The Customer may assign or otherwise transfer all or some of its rights or obligations under the Contract only with prior written consent of Sklostroj. To the fullest extent permissible under Czech law, Sklostroj may assign or otherwise transfer this Contract, including Sklostroj's rights and obligations hereunder, in whole or in part to third parties at its sole discretion without the Buyer's consent.

19. Set-Off. The Customer shall only be entitled to set off its claims against the claims of Sklostroj with prior written consent of Sklostroj.

20. Severability. If any provision of the Contract is declared invalid, illegal or unenforceable, the remaining provisions of the Contract shall remain in full force and effect, provided that the invalid, illegal or unenforceable provision is severable from the remainder of the Contract. In such an event, the Parties undertake to replace such invalid, illegal and/or unenforceable provision with a valid, legal and enforceable provision corresponding as nearly as commercially and economically possible to what the Parties intended by the invalid, illegal and/or unenforceable provision.

21. Notification. All notices either Party may give to the other Party shall be in writing and shall be sent to the other Party to the address of its registered office or any other address (including e-mail address), used by the Parties for communication.

22. Sanctions, Export Control. The Customer hereby confirms and warrants to Sklostroj that as of the date of the Contract and throughout its whole term (i) the Customer will comply with all requirements of applicable export control regulations (which shall mean, in particular, any regulations stipulating personal, financial, territorial or sectoral sanctions, as well as any other restrictive measures, as well as any other the export regulations of the Czech Republic, the EU and the UN,

as well as of the USA or the United Kingdom, provided that such regulations are applicable in a specific case), hereinafter referred to as the “**Export and Sanction Regulations**”); (ii) neither the Customer nor any person affiliated to the Customer is, directly or indirectly, owned or otherwise controlled by any person that is on a sanctions list under the Export and Sanctions Regulations or is owned or controlled by such person; (iii) the Customer and its related persons, its officers, employees, agents, representatives, or other collaborators comply in all respects with the applicable the Export and Sanction Regulations and do not take any action to circumvent the applicable Export and Sanction Regulations or engage in any activities, that could lead to the Customer's or Sklostroj's liability for possible violations of Export and Sanction Regulations, (iv) the Customer will immediately notify Sklostroj in writing in the event that any restrictive measures are imposed on the Customer or a person related to the Customer, its officers, employees, agents, representatives or other collaborators or commits any violation of the Export and Sanction Regulations. In the event of a breach of any obligation pursuant to this paragraph, the Customer shall indemnify Sklostroj on first demand and reimburse Sklostroj for all costs (including reasonable legal fees) relating to any related liability of Sklostroj.

23. Substantial Change of Circumstances. 1. If the delivery time under the Contract exceeds 30 (thirty) days from the date of conclusion of the Contract and if, between the conclusion of the Contract and the date of actual delivery, there is a substantial change in any of the circumstances on which Sklostroj relied upon when concluding the Contract and which have a substantial effect on the performance of the Contract, in particular on the calculation of Sklostroj's production costs, including changes in the prices of materials, components, raw materials, energy or other inputs, changes of the market price of goods or services, changes of tax and other obligations, changes in the legal regime for the delivery of goods, changes of the regime for transport or transport routes or changes in other obligations (including e.g. the need for applying for a permit), Sklostroj shall be entitled to require the Customer to amend the Contract accordingly. A substantial change of circumstances shall be deemed to occur if there is an increase of at least 50% (fifty percent) in Sklostroj's input costs to perform the Contract. In such a case, Sklostroj shall be entitled to send the Customer a proposal of an amendment to the Contract that reasonably reflects the substantial change of the relevant circumstances and invite the Customer to enter into such amendment. If the Customer refuses to enter into the amendment, Sklostroj shall be entitled to withdraw from the Contract.

2. The Customer is not entitled to request a change of the Contract on the basis of a substantial change in circumstances, in particular with respect to inflation, a change in the market value of goods or services, a change in the prices of energy and inputs in the Customer's production activities or a change in the Customer's production plan, including a forced temporary interruption of production activities by a decision of the competent public authorities.

24. Termination of the Contract. 1. Sklostroj may, by giving a written notice to the Customer, withdraw from the Contract and/or any part thereof if (i) the Customer breaches any provision of the Contract (ii) the Customer declares that it is unable or unwilling to perform the Contract, (iii) the Customer becomes insolvent and/or (v) a decision has been made to liquidate the Customer (vi) the Customer has been declared bankrupt or the Customer has filed for insolvency or if similar insolvency, bankruptcy or compulsory liquidation proceedings are pending regarding the Customer under foreign law. If Sklostroj withdraws from the Contract in accordance with this article, Sklostroj shall have no payment obligations against the Customer.

2. If the Customer withdraws from, terminates, or suspends the Contract without legal reason, the Customer shall reimburse Sklostroj for all costs incurred by Sklostroj in connection with the performance of the Contract and any additional costs (including reasonable legal costs) incurred as a result of such termination, withdrawal or suspension.

25. Force Majeure. 1. A Party shall not be liable for breach of its obligation under the Contract if it proves that it has been temporarily or permanently prevented from fulfilling its obligation by an extraordinary, unforeseeable and insurmountable obstacle arising independently of its will and/or actions (hereinafter referred to as the “**Force Majeure**”). Sklostroj is further entitled to invoke Force

Majeure for the non-performance of its subcontractor's contractual obligations, if the subcontractor was prevented to fulfil his obligations to Sklostroj by Force Majeure.

2. If the Customer reasonably invokes Force Majeure, it shall be exempted from the obligation to perform the Contract and from the obligation to compensate any damage for breach of the Contract for the duration of the Force Majeure, to the extent in which performance of the Contract is prevented by Force Majeure. The Customer may be released from liability for non-performance of the Contract due to Force Majeure only if the Customer sends a written notice to Sklostroj specifying (i) the type of Force Majeure that prevents it from performing the Contract and (ii) the obligations under the Contract that it is unable to perform due to the occurrence of Force Majeure and (iii) the expected date by which it will be able to additionally perform its obligations; the Customer shall attach documentary evidence to such notice to credibly prove its claims. The Customer shall send the notification without undue delay after the occurrence of Force Majeure, otherwise it shall be exempt from liability from the moment the notification is delivered to Sklostroj.

3. The effects of Force Majeure under this article shall be limited only to the extent and for the duration that Force Majeure demonstrably prevents the Customer from fulfilling its contractual obligations. As soon as Force Majeure ceases to exist, the Customer shall inform Sklostroj in writing and immediately resume performance of the Contract. At the same time, the Customer shall take all measures to mitigate effects of Force Majeure on the performance of its contractual obligations during the duration of Force Majeure. After Force Majeure has passed, the Customer shall make every effort to eliminate or mitigate the resulting delay.

4. If Force Majeure lasts longer than 6 (six) months, Sklostroj is entitled to withdraw from the Contract. If Force Majeure lasts longer than 12 (twelve) months, the Customer is entitled to withdraw from the Contract.

26. Amendments. The Contract may be modified, amended or terminated only by written amendments.

27. Waiver of Rights. If Sklostroj waives any Customer's breach of the Contract, Sklostroj does not waive any further breach of the same or any other provision of the Contract. Any failure of Sklostroj to insist, or any delay in insisting on due and complete performance of any provision of the Contract or on the exercise of any of its rights under the Contract shall not be interpreted as a waiver of any of its rights.

28. Applicable Law. The Contract, as well as its validity, interpretation and all matters arising out of or relating to it, shall be governed by Czech law. The application of the United Nations Convention on Contracts for the International Sale of Goods (1980, Vienna) and the United Nations Convention on the Limitation Period in the International Sale of Goods (1975, New York) is excluded.

29. Disputes. All disputes arising out of and in connection with the Contract shall be finally settled before the Arbitration Court attached to the Economic Chamber of the Czech Republic and Agriculture Chamber of the Czech Republic by three arbitrators in accordance with its rules.

30. Language. Unless otherwise specified in the Offer, all communication, notices, and documents relating to the goods or the Contract shall be executed in Czech, English or Russian language.

31. Written Form. For the purposes of the Contract, any Offer, amendment, notice or other document is deemed to be in writing if executed electronically in a text form capable of capturing its contents.

32. Entire Agreement. The Contract constitutes the entire agreement between the Customer and Sklostroj.

33. Effectiveness. These Conditions shall apply to all Offers sent by Sklostroj since 01.12.2022.