

GENERAL PURCHASE TERMS AND CONDITIONS 01/22

SOLSOL s.r.o.,

ID No: 29360391, registered office Zeleného 652/9, Brno-město, postcode 616 00, entered in the Commercial Register maintained by the Regional Court in Brno, Section C, file 75143 (hereinafter the “**Seller**”)

I Introductory Provisions

1. These General Purchase Terms and Conditions of the Seller (hereinafter the “GPTC”) apply to purchases of goods from the Seller and govern the rights and obligations between the Seller and the customer/purchaser.
2. These GPTC are standard commercial terms within the meaning of Section 1751(1) of Act No 89/2012, the Civil Code, as amended (hereinafter the “Civil Code”), and apply to all sales of goods by the Seller where the purchaser is a legal person, or a person purchasing goods as part of their business activity or as part of the independent exercise of their profession.
3. By concluding a general supply contract (hereinafter a “general contract”) or purchase contract, the purchaser represents and confirms they have read and agreed to these GPTC. These GPTC form an integral part of each individual concluded general contract and purchase contract.
4. These GPTC are the sole commercial terms and conditions applicable to the contractual relationship between the Seller and the purchaser. The application of different commercial terms, in particular any commercial terms of the purchaser, is excluded. The Purchaser’s response under Section 1740(3) of the Civil Code with a variation or addendum to the offer or these GPTC will not be deemed acceptance of an offer to conclude a contract, even where such variation or addendum make no material changes to such offer or these GPTC.
5. Provisions derogating from these GPTC may be arranged in the general contract and/or individual purchase contract and solely in writing. Derogating provisions in the general contract and/or individual purchase contract shall take precedence of the provisions contained in these GPTC.

II Conclusion of a Separate Purchase Contract and General Contract

1. A contractual relationship between the Seller and purchaser is formed by
 - a) the conclusion of a separate purchase contract, or
 - b) the conclusion of a written general contract, whereby the Seller and the purchaser arrange the general terms governing the supply of goods, binding for the term of the general contract and the subsequent individual purchase contracts.

III Price and Payment Method

1. The purchaser commits to pay the Seller the purchase price for goods supplied under a purchase contract or component purchase contract. The purchase price for goods will be determined in accordance with the current price list of the Seller, unless the parties agree in writing on different prices. VAT at the statutory rate will be added to the purchase price in each case.
2. The purchase price is net of any costs for carriage from the customs warehouse in Rotterdam to the place of performance.
3. The purchase price is inclusive of costs incurred for the preparation of the goods for dispatch from the customs warehouse in Rotterdam, i.e. packaging, necessary documentation, any duties and import fees, depending on the applicable INCOTERMS 2020 clause.
4. Together with the purchase price, the Seller will charge to the purchaser all costs for take-back, processing, use and disposal of waste electrical equipment at the rate determined according to the weight of the goods purchased. Billing and payment for take-back, processing, use and disposal of waste electrical equipment will be governed by applicable legislation, in particular Section 73 of Act No 542/2020, on end-of-life products, as amended. The specific recycling fee for 1 kg of goods is provided in the purchase contract or the general contract. The total recycling fee will be determined later upon delivery of the goods according to the actual weight of the goods, and will be indicated on the invoice.
5. If so agreed in the purchase contract or the general contract, the Seller may request from the purchaser a down payment or the full purchase price of the goods prior to dispatch or handover to the purchaser. Section 2119(1) of the Civil Code will not apply.
6. The Seller will remain the exclusive owner of the goods until full payment. The purchaser will acquire title to the goods upon full payment of the purchase price for the goods.

IV Payment and Billing

1. Orders will be paid in the currency specified in the order (CZK or EUR) based on an invoice/tax document. In the case of CZK payments, the amount will be converted according to the daily average exchange rate of the Czech National Bank + CZK 0.5 on the date of the respective transaction.
2. Payments for goods in EUR will be made to the Seller's EUR account. In the case of CZK payments, the amounts will be remitted to the Seller's CZK account using the agreed conversion method based on an invoice/tax document. If payment in CZK is made to the EUR account, or vice versa, the exchange rate difference from the conversion will be settled by way of an invoice.
3. The invoice will state separately the costs of take-back, processing, use and disposal of waste electrical equipment.
4. The Seller may not issue any invoice until the day the goods are unloaded at the customs warehouse in Rotterdam or, if delivery is arranged, the day of dispatch of the goods to the purchaser. The purchaser's obligation to pay the purchase price will be deemed fulfilled on the day of the funds corresponding to the purchase price are credited to the Seller's account.

5. The due date of the purchase price will be determined in the general contract or in the purchase contract.
6. If a down payment has been agreed, the corresponding amount will be charged immediately after the conclusion of the purchase contract. Failure to make such down payment agreed between the Seller and the purchaser by the due date may be reason for the Seller to move the delivery date and also to withdraw from the contract.
7. Tax documents issued by the Seller will be delivered to the purchaser's email address listed in the general contract or in the purchase contract.
8. The Seller may issue invoices for each agreed component performance.
9. Invoices will contain the requisites required by applicable legislation (in particular Act No 563/1991, as amended, Act No 235/2004, as amended, and Act No 542/2020, as amended).

V Delivery

1. Delivery is subject to INCOTERMS 2020, issued by the International Chamber of Commerce.
2. Each general contract and purchase contract will indicate the abbreviation of the applicable INCOTERMS 2020 rule, and the place and date of delivery. Deliveries will be subject to one of the following:
 - a) FCA(a): The Seller will deliver the goods to the purchaser as follows: the Seller will load the goods onto a transport vehicle provided by the purchaser. The place of delivery is the Seller's external warehouse abroad.

Basic obligations of the Seller and the purchaser under FCA:
loading: Seller
export clearance: Seller
transport: purchaser
unloading: purchaser

Transfer of risk: Once the Seller loads the goods onto a transport vehicle provided by the purchaser.
 - b) DDP: The Seller is responsible for transport to the registered office of the purchaser and covers any customs duties in its country.
Basic obligations of the Seller and the purchaser:
loading: Seller
export clearance: Seller
transport: Seller
unloading: purchaser

Transfer of risk: Once the goods are ready for unloading at the place of delivery or as otherwise agreed.
 - c) EXW: The Seller has fulfilled its delivery obligations once the goods are made available to the purchaser at the Seller's facility or elsewhere (e.g. warehouse).
Basic obligations of the Seller and the purchaser:
loading: purchaser
transport: purchaser
unloading: purchaser

Transfer of risk: Once the goods are collected at the warehouse or office of the Seller or at any point of collection.

The above brief description of the individual INCOTERMS 2020 rules is for reference only. Detailed descriptions of the individual delivery terms, as well as the moment of transfer of the risk of damage and other delivery conditions, are provided in INCOTERMS 2020 issued by the International Chamber of Commerce. In the event of a conflict between the above brief description of the individual rules and their official wording, the official INCOTERMS 2020 version will prevail. However, if other clauses of these GPTC and/or the general contract or the purchase contract contain a modification of the rules set out in the relevant INCOTERMS 2020 clause, that modification will apply.

3. In the event the purchaser requires a different place of performance than the customs warehouse in Rotterdam or the Seller's shipping warehouse, the Seller undertakes to arrange for the transport of the goods to the place of performance so designated, on the basis of a pre-agreed calculation of the carriage price arranged between the Seller and the carrier. The Seller will arrange for carriage at the Seller's expense and risk. The price of carriage will not be part of the purchase price of the goods.
4. The purchaser will accept the delivered goods by confirmation of the delivery note or other similar proof of delivery of the goods to the purchaser (e.g. CMR) by the purchaser's responsible employee or by the carrier. Goods will be deemed accepted if the specific INCOTERMS rule is complied with or, if agreed, other aforementioned proof of acceptance is produced.
5. The deadline for delivery of goods can be unilaterally extended by the Seller in the event of delay by suppliers with the delivery of ordered goods. The purchaser will always be informed of such extension in good time. The delivery period will also be extended by the duration of circumstances caused by force majeure preventing delivery by the agreed deadline.
6. The purchaser shall check the delivered goods upon acceptance and record any differences in quantity and quality in the delivery note, potentially also on the CMR, and shall immediately notify the Seller in writing (email will suffice). Any apparent defects found on receipt of the goods – e.g. damaged packaging – should also be noted directly in these documents.
7. If the purchaser provides the transport of the goods itself, it undertakes to collect the goods within three days after the delivery of the Seller's notice of readiness for collection. If the purchaser fails to do so, the Seller may, starting from the day following the expiry of the said deadline, charge storage or arrange transport of the goods at the purchaser's expense. The purchaser will be charged a storage fee at the rate of 0.02% of the purchase price of the uncollected goods per day (unless the parties agree in writing to extend the collection deadline).

VI Rights Arising From Defects

1. The Seller warrants the quality, functionality and performance of the goods delivered under the general contract or a purchase contract for 24 months, or as per the valid price list, from the date of delivery of the goods and the signing of the delivery note. The purchaser acknowledges that if the manufacturer of the goods provides a longer warranty for the quality, functionality or performance of the goods, the purchaser will, upon expiry of the warranty period provided by the Seller referred to in the first sentence, claim any defects in the goods directly from the manufacturer of the goods in accordance with its warranty conditions (Section 2117 of the Civil Code will not apply in this case). The Seller will provide

the purchaser with the warranty conditions of each manufacturer upon delivery of the goods. The purchaser acknowledges that for goods delivered without a warranty certificate, only the warranty according to the first sentence is provided. This Article is without prejudice to any different provisions in the warranty conditions of the individual manufacturers.

2. The warranty period commences upon handover. The Seller will not be liable for defects covered by the warranty if such defects were caused by external events after the transfer of the risk of damage, and were not caused by the Seller or persons assisting the Seller in the performance of its obligations.
3. If delivered goods are defective, the purchaser shall submit a claim in writing (email will suffice) to the Seller without undue delay after the discovery of such fact. At the same time, the purchaser shall inform the Seller whether they require the removal of the defect or the replacement of the goods or a discount on the purchase price of the delivered goods. If the purchaser fails to do so, they will be deemed to have requested removal of the defect by repair. After the expiration of the warranty period provided by the Seller, the purchaser shall pursue any claims arising from defects in the goods directly with the manufacturer of the goods, and in accordance with its warranty conditions. The Seller is not liable for any defects in the goods after the expiry of the warranty period provided under paragraph 1, first sentence of this Article, or for the process and time required by individual manufacturers to handle claims. A performance arising from the quality warranty will not extend the warranty itself, suspend the running of the warranty, start a new warranty period, or give rise to any other new claims under the quality warranty.
4. In the case of a replacement delivery and exchange of defective goods for new goods, the purchaser shall return the claimed goods to the Seller in their original condition and quantity. All costs associated with the replacement and return of the goods will be borne by the Seller.
5. The parties commit to adopt all measures available to them to prevent damage and to keep any damage incurred to a minimum.

VII VAT-Related Obligations

1. A purchaser who is a VAT payer represents that:
 - a) they are not an unreliable payer within the meaning of Section 106a of Act No 235/2004, on value added tax (hereinafter the "VAT Act").
 - b) the purchaser's bank account to which the Seller will potentially make payments in connection with a purchase contract is and will remain properly maintained in the register of bank accounts of VAT payers;
 - c) there are no reasons for which the Seller would or could become a guarantor for a tax liability of the purchaser arising from VAT charged by the Seller.
2. The Seller is entitled to withhold VAT from any invoice issued by the purchaser in connection with concluded contracts and the GPTC, and to make the corresponding payment to the purchaser without the VAT amount so withheld, especially in the following cases:
 - a) the purchaser becomes an unreliable payer; or
 - b) the purchaser requests that the transaction be made to a bank account other than one maintained in the VAT register;

3. The Seller is entitled to pay the withheld VAT on behalf of the purchaser to the account of the tax administrator pursuant to Section 109a of the VAT Act, or directly to the purchaser if the purchaser demonstrates that the obligation to pay VAT has been fulfilled in a proper and timely manner.

VIII Sanctions

1. In the event of any, even partial, delay on the purchaser's part with the payment of an invoice, the purchaser shall pay, upon the Seller's request, a contractual penalty of 0.05% of the amount due for each day of such delay. The Seller's right to claim damages from the purchaser on the same grounds is not affected by this provision, and the Seller may claim damages in addition to the contractual penalty.
2. If the purchaser has due financial obligations to the Seller, the latter is entitled to suspend the delivery of goods until the full payment of such obligations by the purchaser, even in the case of already confirmed orders or purchase contracts. The Seller will not be in default with its obligations during this period. Any deadline applying to the Seller for delivery of goods, which has been suspended for the above reasons, is extended until the payment of due obligations.
3. Default interest, contractual penalties and compensation for damages are due within seven calendar days from the date of delivery of a demand for payment by the entitled party, together with the relevant invoice issued in accordance with applicable law.
4. The arrangements relating to the contractual penalty and default interest are without prejudice to the other party's entitlement to damages in excess of the contractual penalty or default interest.

IX Withdrawal

1. Notice of withdrawal from a purchase contract will be made in writing and sent to the other party to the address specified in the header of such contract or to the data box of the other party.
2. Withdrawal from a contract will terminate the contract from its beginning with legal effects of withdrawal from the date of delivery of the notice of withdrawal to the other party. Withdrawal from a contract will not extinguish the right to the surrender of unjustified enrichment, to the payment of a contractual penalty, or to compensation for damages.
3. Withdrawal from a purchase contract by the Seller:

The Seller's withdrawal from a purchase contract is subject to Section 2001 et seq. of the Civil Code, where the purchaser's material breach of obligations means (i) delay by the purchaser in making a payment by more than ten (10) days after the due date in the Seller's invoice, absence of communication from the purchaser, the provision of false or unreliable information about the expected date of the purchaser's debt repayment, the initiation of insolvency proceedings with respect to the purchaser, etc. In such a case, the Seller is entitled to withdraw from such purchase contract and the purchaser shall fully compensate the Seller for the damage incurred. The Seller's withdrawal from a purchase contract will be without prejudice to the purchaser's obligation to pay the Seller the contractual penalties agreed in these GPTC.

4. Withdrawal from a purchase contract by the purchaser:

The purchaser is entitled to withdraw from a purchase contract only in the event of a material breach of contractual obligations by the Seller. The parties agree that a material breach of such contract on the part of the Seller is a delay by the Seller in the delivery of the goods of more than ten (10) calendar days. If the purchaser withdraws for other reasons, they shall pay the Seller compensation of 10% of the price of the ordered uncollected goods.

In the event of the purchaser's withdrawal from a concluded purchase contract, the Seller is entitled to charge the purchaser demonstrable costs incurred up to the date of delivery of the purchaser's withdrawal notice to the Seller.

Withdrawal by the purchaser will be made in writing. The purchaser shall also pay the Seller any and all sums agreed in the purchase contract and these GPTC within fourteen (14) calendar days of the withdrawal. This is without prejudice to the Seller's right to claim damages against the purchaser.

X Force Majeure

1. Circumstances precluding liability will be deemed to be cases of force majeure under Section 2913(2) of the Civil Code (hereinafter "Force Majeure"). Force Majeure will be deemed to be an extraordinary and unforeseeable and insurmountable obstacle arising independently of the will of the affected party and which prevents it from fulfilling its obligation, if it cannot reasonably be assumed that the affected party could have averted or overcome the obstacle or its consequences and that it could have foreseen the obstacle at the time of the conclusion of the contract, in particular natural disasters, embargoes, civil wars, insurrections, military conflicts, including the consequences of the Russo-Ukrainian conflict, terrorist attacks, riots and epidemics, including the coronavirus epidemic and related measures by public authorities to limit the spread of the epidemic.
2. The liability of the parties will not be excluded by an obstacle that arose when the obliged party was already in default with the performance of an obligation, or which arose from the economic circumstances of the obliged party, or an obstacle which demonstrably and substantially could not have affected the performance of such contract, or an obstacle the obliged party was required to overcome under such contract.
3. The party invoking Force Majeure shall promptly notify the other party in writing (no later than five calendar days from the occurrence thereof), specifying the nature of the obstacle that has prevented or will prevent it from performing its obligation, the expected duration of such obstacle and its consequences, and shall take all available measures to mitigate the consequences of the non-performance of the contractual obligation. The other party shall acknowledge receipt of such notification in writing without undue delay.
4. The invoking party also commits to notify the other party promptly in writing of the cessation of the Force Majeure and to provide written proof no later than five calendar days after the cessation of the Force Majeure or the removal of the obstacle that prevented it from fulfilling its contractual obligation. The other party shall acknowledge receipt of such notification in writing without undue delay.
5. If the Force Majeure lasts for more than two months and if it prevents either party from fulfilling an obligation agreed in this contract, both parties have the right to withdraw from such purchase contract or to agree on an extension of the delivery deadline.

6. Force Majeure excludes entitlement to contractual penalties against the party affected thereby, entitlement to compensation and to any other punitive damages, if so agreed. The party affected by Force Majeure will not be in default with the performance of an obligation to which it is contractually bound.

XI Arbitration

1. Pursuant to Act No 216/1994, the parties expressly agree that all property disputes arising out of this contract, as well as any disputes that may arise in the future from the legal relationship established hereby, with the exception of disputes arising from distraint procedures and disputes arising from insolvency proceedings, unless resolved by mutual agreement, will be decided by an arbitrator: JUDr. Karel Schelle, LL.M., MBA, attorney at law registered with the Czech Bar Association under No 12495, practicing at Ambrožova 6, 635 00 Brno. The arbitrator appointed through this arbitration clause will decide disputes without a hearing, only on the basis of written materials submitted by the parties. However, if the arbitrator deems the written materials so submitted to be insufficient, he will be entitled to order a hearing. The arbitrator will serve the suit filed upon the other party (defendant) with a call for the defendant to make a statement regarding the suit within 15 days from service. If the other party (defendant) fails to respond to the suit within 15 days of the date of service, the arbitrator will consider the suit to be acknowledged. A call served by the arbitrator upon the defendant to make a statement will contain a statement to that effect.
2. The arbitration procedure will be conducted according to the body of laws of the Czech Republic and the principle of fairness will be applied. The arbitrator's award need not be reasoned. This also applies where, at the request of either party, the dispute is resolved during the arbitration proceedings through conciliation in the form of an arbitral award.
3. The costs of arbitration:
 - a) The fee for the arbitration procedure is 4% of the value of the subject-matter of the dispute, but not less than CZK 5 000 plus VAT according to the statutory regulations. The fee represents the arbitrator's remuneration.
 - b) Special costs incurred for the hearing and the decision on the dispute in the arbitration procedure.
4. The relevant provisions of the Code of Civil Procedure will be applied *mutatis mutandis* in deciding on the costs of the arbitration.
5. The arbitral award will become final and enforceable on the date of its delivery. Unless otherwise provided for in this clause, Act No 216/1994 will apply. Any issues relating to the arbitration procedure not addressed in this arbitration clause and not regulated through this Act will be decided by the appointed arbitrator himself.

XII Miscellaneous and Final Provisions

1. Any document that is required to be delivered to the other party to a purchase contract, the general contract or generally binding legal provisions (e.g. withdrawal) will be delivered to the other party by hand or by registered mail sent to its address as it appears in the Commercial Register, whether by means of a postal license holder or other organization engaged in the business of delivery services, or by means of a data box. Standard correspondence with no effect on the formation, changes or termination of a purchase contract or the general contract, or where service by email has been agreed by the parties in the purchase contract or general contract, may also be served by email. In the case of service

by email, the legal act will take effect on the next business day following the date of dispatch of the email message containing the expression of intent to the email address of the other party.

2. The Seller is entitled to unilaterally amend and supplement these GPTC. This is without prejudice to the rights and obligations arising during the validity period of the previous version of the GPTC.
3. Should any provision of these GPTC, the general contract or a purchase contract become invalid or unenforceable for any reason, the invalidity or unenforceability of such provision will be without prejudice to the validity and effect of the remaining provisions, unless it ensues from the nature of such provision or its content that the invalid or unenforceable provision cannot be severed from the remainder of the contract. If any provision of this contract becomes invalid or unenforceable, the parties will initiate negotiations to modify their relationship so as to preserve the original intent of the contract.
4. Any rights and obligations not covered by these GPTC, the general contract and a purchase contract will be governed by the law of the Czech Republic, in particular Act No 89/2012, the Civil Code, as amended.
5. These GPTC entered into force and effect on 1 July 2022.