

General Terms and Conditions of Kordcarbon, a.s.

Version: 2023/01

1. Introductory provisions

- 1.1. These Terms and Conditions (hereinafter referred to as “TC” or “Terms and Conditions”) govern, in accordance with the provisions of Section 1751 of Act No. 89/2012 Coll., the civil code, as amended (hereinafter also referred to as the “Civil Code”), the mutual rights, obligations and relationships arising between the Parties under or in connection with the purchase agreement, between Kordcarbon, a.s., with its registered office at Úprkova 683, 696 62 Strážnice, ID No.: 054 38 837, registered in the Commercial Register maintained by the Regional Court in Brno, Section B, Insert 7601, as the Seller, (hereinafter referred to as the “Seller”) and the Purchaser (hereinafter referred to as the “Purchaser”). The Purchaser and the Seller are hereinafter jointly referred to as the “Parties” or each separately as a “Party”.
- 1.2. By placing an order, deemed a proposal for the conclusion of a purchase agreement, or by concluding a framework purchase agreement, the Purchaser confirms it has read these Terms and Conditions and that it expressly agrees to them, in the version valid and effective at the time of sending the order or concluding the framework purchase agreement. The Purchaser also agrees that the mutual relations between it and the Seller will be governed by these Terms and Conditions.
- 1.3. Written provisions arranged by the Parties in the purchase agreement derogating from these Terms and Conditions will prevail over the provisions of the TC.
- 1.4. The provisions of the Terms and Conditions will prevail over non-mandatory provisions of laws and regulations, including without limitation the Civil Code.

2. Entry into Purchase Agreement

- 2.1. The purchase agreement is entered into upon delivery of a written confirmation of the order by the Seller to the Purchaser, including where the Purchaser’s order was preceded by an offer from the Seller. For the purposes of these Terms and Conditions, e-mail is also deemed communication in writing.
- 2.2. The Purchaser is obliged to provide correct and truthful information in the order. The information provided by the Purchaser in the order will be deemed correct by the Seller.
- 2.3. Depending on the nature of the order (quantity of goods, amount of the purchase price, estimated shipping costs), the Seller is always entitled to ask the Purchaser for additional confirmation of the order.
- 2.4. An offer made by the Seller in any form is valid for four weeks; however, the purchase agreement cannot be concluded until the Seller has confirmed the order.

3. Purchase Price

- 3.1. For the purposes of these Terms and Conditions, the purchase price means a sum of money required to be paid by the Purchaser to the Seller for the delivery of the goods and the transfer of title thereto.

- 3.2. The purchase price is set:
 - 3.2.1. unilaterally by the Seller for each type of goods, as the price is stated in the Seller's **price list**, or
 - 3.2.2. **by way of an agreement** as the price agreed between the Seller and the Purchaser as stated in the purchase agreement or order confirmation.
- 3.3. Unless otherwise stated, the purchase price quoted in the Seller's price list or the purchase agreement is set without VAT. The Seller will add VAT to the purchase price so stated in the statutory amount as per the relevant legislation on the date of the purchase agreement.
- 3.4. Unless otherwise agreed, the purchase price is exclusive of **freight, packing, duties** or other related export charges. The Purchaser will reimburse the Seller for such costs.
- 3.5. The portfolio of goods is continuously updated, as is the price list, which contains the current purchase prices of the goods.

4. Terms of Payment

- 4.1. The Purchaser is obliged to pay the purchase price for the goods as stated in the purchase agreement in accordance with the Seller's price list or the contractual arrangement between the Seller and the Purchaser.
- 4.2. An invoice (tax document), containing the purchase price, will be sent to the Purchaser electronically in PDF format. Alternatively, on request, it may be sent in a single copy to the address of its registered office, place of business or place of residence, or to the address expressly indicated to the Seller as the delivery address. The Purchaser is obliged to notify the Seller immediately if the invoice (tax document) is not received. The invoice (tax document) is delivered to the Purchaser upon receipt of the goods at the Seller's registered office in the case of personal pick-up of goods at the Seller's registered office.
- 4.3. The purchase price for the goods is due:
 - 4.3.1. in case of personal pick-up of goods at the Seller's registered office on the date of personal pick-up,
 - 4.3.2. in case of carriage by a carrier, on the date of receipt of the goods from the carrier,
 - 4.3.3. if the Purchaser so chooses, or if the Seller so determines and notifies the Purchaser in accordance with the provisions of Article 4.6 of these Terms and Conditions, prior to shipment or prior to acceptance of the goods by transfer to the Seller's bank account (i.e. advance payment of the purchase price).
- 4.4. The Purchaser is entitled to pay the purchase price to the Seller:
 - 4.4.1. in cash at the registered office of the Seller,
 - 4.4.2. by wire transfer to the bank account indicated on the invoice (tax document), in which case payment of the purchase price or advance payment of the purchase price is deemed to have been made on the day the purchase price is credited to the Seller's bank account.
- 4.5. Title to the goods will not pass to the Purchaser until full payment of the purchase price by the Purchaser to the Seller, until which time the goods will remain the exclusive property of the Seller. The risk of damage to the goods will pass to the Purchaser in the manner set out in Article 5.3 of these Terms and Conditions.
- 4.6. The Seller is entitled, in particular in the case of an order with significant value, or if the Purchaser has placed an order with the Seller for the first time and no purchase agreement has been concluded yet, or in the case of a Purchaser whose claim cannot be insured to a sufficient amount, to require advance payment of the purchase price, i.e. before the goods

are shipped to the Purchaser, or before the Purchaser takes over the goods.

5. Terms of Delivery

- 5.1. The goods are delivered to the Purchaser as follows:
 - 5.1.1. **by personal pick-up** of the goods by the Purchaser at the Seller's registered office; for personal pick-up of the goods, only the Purchaser or the Purchaser's representative who shows a power of attorney from the Purchaser or other authorization for personal pick-up is entitled to collect the goods,
 - 5.1.2. **by sending the goods to the Purchaser via a carrier who is in a contractual relationship with the Seller**, both in and outside the Czech Republic,
 - 5.1.3. **by sending the goods to the Purchaser via a carrier, based on the contractual relationship with the Purchaser**; the Purchaser is obliged to notify the Seller at least 2 working days in advance of the date and time of pick-up, the specification of the carrier and the person authorized to receive the goods, failing which the Seller is entitled to refuse to load the goods; shipping is paid in full by the Purchaser.
- 5.2. The goods are delivered to the Purchaser once they are handed over to the first carrier for transport.
- 5.3. **The risk of damage** to the goods passes to the Purchaser in case of personal pick-up of the goods by the Purchaser at the Seller's registered office upon receipt of the goods by the Purchaser or the Purchaser's representative, and in case of dispatch of the goods to the Purchaser by carrier, the risk passes to the Purchaser in accordance with the agreed INCOTERMS 2020 parity.
- 5.4. If force majeure or other objective circumstances occur after the conclusion of the purchase agreement that prevent the Seller from delivering the goods to the Purchaser on time, the Seller has the right to extend the delivery time limit or withdraw from the purchase agreement. If the Seller proves that it could not, even with exercise of reasonable care, have prevented the extension of the delivery time limit, no liability will be borne by the Seller for any damage caused to the Purchaser by such extension. For the purpose of these Terms and Conditions, "Force majeure" means an extraordinary, unforeseeable and insurmountable obstacle arising independently of the will of the Parties which has prevented one or both Parties from performing their obligations temporarily or permanently. For the purposes of these Terms and Conditions, such an obstacle includes, without limitation, natural disasters, acts of god, accidents, terrorist attacks, wars, civil commotions, insurrections or revolutions, large-scale strikes, epidemics, pandemics, global shortages of materials ("carbon shortages"), as well as imposition of measures under laws and regulations which substantially limit the Party's ability to perform its obligations and which are adopted in connection with a force majeure within the meaning of these Terms and Conditions.
- 5.5. The goods are delivered to the Purchaser together with the delivery note.
- 5.6. Upon receipt of the goods, the Purchaser will confirm the type and quantity of the goods to the carrier on the delivery note. If the Purchaser discovers obvious differences or defects in the goods, e.g. in the type or quantity of goods stated on the delivery note, external damage or marking, the Purchaser will indicate any differences or defects on the delivery note, as well as its name and date (Purchaser's name and date must be legible), and, if applicable, stamp and confirm everything by its signature. Such delivery note must also be confirmed by the carrier. Later claims for incorrect quantity of packed goods and damaged goods will be declined.

- 5.7. The Purchaser acknowledges that due to the nature of the goods it is not possible to deliver the exact quantity ordered. Therefore, a deviation of up to 5 % from the ordered quantity for the entire delivery under the relevant purchase agreement may occur. If the goods are delivered in a quantity within the said deviation, the Purchaser will not be entitled to demand additional goods, nor will the Purchaser be entitled to demand that the Seller take back any surplus. The Seller will not be entitled to demand return of excess quantity if the specified deviation is not exceeded.
- 5.8. The maximum deviation in terms of length of the goods delivered for each individual roll compared to the confirmed length is +/-3%.
- 5.9. The Purchaser is obliged to accept performance of the Agreement in parts without any compensation from the Seller.
- 5.10. In the event that the Purchaser refuses to accept the goods due to any obvious defects, it will indicate this on the delivery note, return the delivery note to the carrier together with the defective or incomplete goods.
- 5.11. If for reasons on the Purchaser's side it is necessary to deliver the goods repeatedly or differently than specified in the order, the Purchaser is obliged to pay the costs associated with the repeated delivery of the goods, or the costs associated with a different method of delivery.

6. Default, Penalties

- 6.1. In the event of delay by the Purchaser in payment of the purchase price, the Seller is entitled to require the Purchaser to pay contractual default interest of 0.15 % of the purchase price for each day of delay until payment of the purchase price.

7. Withdrawal

- 7.1. If a Party **materially** breaches the purchase agreement or if these Terms and Conditions so provide, the other Party may withdraw from the purchase agreement without undue delay. A material breach occurs where the Party in breach of the purchase agreement knew or must have known at the time of conclusion of the purchase agreement that the other Party would not have concluded the purchase agreement if it had foreseen the breach; in other cases, the breach is not deemed to be material. For the avoidance of doubt, a material breach of the purchase agreement will be deemed to be:
 - 7.1.1. delay in payment of the purchase price by more than 10 days from the due date of the purchase price,
 - 7.1.2. if the Seller is in delay with the delivery of the goods for more than 10 days and fails to deliver the goods even after a written request from the Purchaser within an additional period of at least 15 days.
- 7.2. As soon as the Party entitled to withdraw from the purchase agreement notifies the other Party exclusively in writing that it withdraws from the purchase agreement or that it wishes to continue the purchase agreement, such a decision cannot be reverted unilaterally.
- 7.3. Withdrawal from the purchase agreement cancels the contractual obligation from the beginning and the rights and duties of the Parties are extinguished to the extent of the withdrawal.
- 7.4. The Seller is entitled to unilaterally offset the claim for damage to the goods against the Purchaser's claim for reimbursement of the purchase price.

8. Defects Liability

- 8.1. The rights and obligations of the Parties regarding the Seller's liability for defects in the goods will be governed by the civil code, unless otherwise stated in these Terms and Conditions.
- 8.2. The Seller guarantees to the Purchaser that goods are free from defects upon receipt. Without limiting the generality of the foregoing, the Seller guarantees to the Purchaser:
 - 8.2.1. the goods have the characteristics agreed between the Parties and, in the absence of an agreement, have the characteristics described by the Seller or the manufacturer in the technical documentation;
 - 8.2.2. the goods correspond in quality or workmanship to the agreed sample or specimen, if the quality or workmanship was determined according to an agreed sample or specimen.
- 8.3. The Purchaser will not be entitled to rights from defective performance for goods sold at a lower price for the defect for which the lower price was agreed, for wear and tear of the goods caused by their normal use, for used goods for a defect corresponding to the level of use or wear and tear that the goods had when taken over by the Purchaser, or if it results from the nature of the goods. The Purchaser is not entitled to exercise the right from defects if the Purchaser did not find an obvious defect of the goods during acceptance or if the Purchaser caused the defect itself. The Purchaser is obliged to handle (including without limitation, to process and store) the goods in accordance with the technical documentation provided by the Seller; the Seller is not liable for defects in the goods caused by manifestly inappropriate handling and/or handling contrary to the technical documentation or general standards.
- 8.4. The Purchaser is obliged to notify the defect in writing to the Seller without undue delay after the Purchaser has had the opportunity to inspect the goods and discover the defect. The defect can be claimed within 3 months from receipt of the goods at the latest.
- 8.5. The Seller will decide on the Purchaser's claim without undue delay, no later than thirty working days from the delivery of the defective goods to the Seller, or from the moment when the Seller informs the Purchaser that delivery of the defective goods is not required. The time required for an expert assessment of the defect is not included in this time limit. If the Seller is liable for the defect, the Seller will, at its discretion, repair the goods within a further sixty working days, supply the Purchaser with new replacement goods or provide the Purchaser with a reasonable discount on the purchase price. If the Seller fails to remedy the defect within the aforementioned time limit by either of these options, the Purchaser will have the right to withdraw from the purchase agreement to the extent of the defective part of the delivery.
- 8.6. Claimed goods must be properly packaged, must not be contaminated and original packaging must be intact. Goods must also not be rewound, failing which such goods will be deemed damaged. The cost of shipping the goods back to the Seller will be borne by the Purchaser.
- 8.7. The Purchaser is obliged to verify that goods are suitable for the particular purpose; the Seller is not liable for the suitability of the goods for any purpose, including the usual purpose. In the event that the Purchaser discovers any defects during the inspection of the goods, the Purchaser may not refuse the whole delivery, but only the defective part.

9. Miscellaneous

- 9.1. Without the prior express written consent of the Seller, the Purchaser will not be entitled to assign (including assignment of a claim or right as security) or pledge its claims against the Seller or assign the purchase agreement or any part thereof or the rights and obligations thereunder.
- 9.2. Without the prior express written consent of the Seller, the Purchaser will not be entitled to set off its claims against the Seller's claims.
- 9.3. All documentation provided to the Purchaser in connection with the purchase agreement (including without limitation technical sheets, drawings, calculations, etc.) is not subject to the purchase agreement, is provided for the Purchaser only and must not be provided by the Purchaser to any third party.
- 9.4. The Purchaser is obliged to maintain the confidentiality of all facts encountered in connection with the purchase agreement, including without limitation the content of any documentation provided to the Purchaser, the prices of the goods, or any disputes with the Seller. The obligation of confidentiality lasts for an unlimited period of time.
- 9.5. By concluding the purchase agreement, the Purchaser assumes the risk of a change in circumstances.
- 9.6. Provisions on contractual penalty are without prejudice to the Seller's right to claim damages from the Purchaser in full.
- 9.7. The payment of the contractual penalty by the Purchaser will not affect the Purchaser's original obligation which must be fulfilled by the Purchaser regardless of any penalty.
- 9.8. The Parties have communicated to each other prior to the conclusion of the agreement all actual and legal circumstances of which they knew or should have known at the time of entry into the agreement and which are relevant for its conclusion. Apart from the representations given by the Parties to each other in the agreement, neither Party will have any further rights or obligations in relation to any facts which come to light and which the other Party did not notify during the negotiation of the agreement. The exception to this rule is where a Party has deliberately misled the other Party as to the subject-matter of the agreement.
- 9.9. The Parties do not wish any rights and obligations beyond the express provisions of the agreement or the Terms and Conditions to be inferred from past or future practice established between the Parties or customary practices generally or in the industry relating to the subject-matter of the agreement, unless otherwise expressly provided for in the agreement. In addition to the foregoing, the Parties acknowledge they are not aware of any custom or practice heretofore established between them. If either Party overlooks or disregards any default, breach, delay or failure to perform any obligation under the agreement, this will not constitute a waiver of the right to perform such obligation and no waiver will be deemed effective unless expressed in writing in each case.
- 9.10. In accordance with the provisions of Section 4 of the Civil Code, whereunder every person having legal capacity is presumed to have the intellect of an average individual and the ability to use it with ordinary care and caution, and anybody can reasonably expect every such person to act in that way in legal transactions, the Parties have considered the contents of the agreement, including the Terms and Conditions, and do not find them to be inconsistent. The agreement was concluded as an act of their true and free will after careful consideration of all the circumstances and mutual explanation of its contents.

- 9.11. **Within the meaning of Section 1753 of the Civil Code, by placing an order, the Purchaser declares that all provisions of these Terms and Conditions are reasonable and could have been reasonably expected.**
- 9.12. The Seller will not be liable for the Purchaser's loss of profit caused by breach of the purchase agreement or any defect in the goods. The Seller will not be liable for any damage caused by the use of the goods for an improper purpose. Any claim by the Purchaser for damages will be limited to the price of the goods in connection with which the Purchaser seeks compensation. The Purchaser is obliged to act in such a way as to minimize the risk of damage resulting from the use of the goods; if the Purchaser discovers any defect in the goods, the Purchaser is obliged to immediately cease using the goods delivered under the relevant purchase agreement in its production processes.
- 9.13. The Purchaser will inform the Seller of the intended use of the goods prior to entering into the purchase agreement, including without limitation if the end use of the goods is for military or similar purposes. By concluding the purchase agreement, the Purchaser confirms that the goods are not to be used (even after processing) for military or similar purposes, unless the Purchaser has previously notified the Seller of this.
- 9.14. The Purchaser is aware that purchase of goods from the Seller's portfolio does not vest in the Purchaser any rights to use trademarks, trade names, company logos or patents of the Seller or other persons, unless otherwise agreed in a specific case by a special agreement.

10. Governing Law and Jurisdiction

- 10.1. All agreements concluded between the Seller and the Purchaser will be governed by the laws of the Czech Republic, excluding the UN Convention on Contracts for the International Sale of Goods and conflict of laws rules of private international law.
- 10.2. The Parties agree that general courts in the Czech Republic will have jurisdiction to adjudicate disputes. The court in the district of the Seller's registered office will have territorial jurisdiction in the first instance.

11. Final Provisions

- 11.1. In the event that any provision of the Terms and Conditions or the agreement is or becomes in the future invalid, ineffective or unenforceable, or is found to be so by a competent authority, the other provisions of the Terms and Conditions or the agreement will remain in force and effect unless the nature of such provision or its contents or the circumstances in which it was entered into show that it cannot be severed from the remainder of the Terms and Conditions or the agreement. The Parties undertake to replace the invalid, ineffective or unenforceable provision of the Terms and Conditions or the agreement with another provision whose content and meaning most approximates the original provision and the Terms and Conditions or the agreement as a whole.
- 11.2. The Terms and Conditions and the purchase agreements concluded thereunder contain a complete arrangement of the subject-matter of the agreement and all the particulars which the parties had to and wanted to arrange in the agreement and which they consider important for the binding nature thereof. No act of the Parties made during the negotiation of the agreement or any act made after the conclusion of the agreement will be construed contrary to the express provisions of the agreement and the Terms and Conditions and will impose any obligation on either Party.

12. Term and Effect

- 12.1. These Terms and Conditions are valid and effective from January 1st 2023 until an updated version of the Terms and Conditions is issued.
- 12.2. The current version of the Terms and Conditions is available on the Seller's website www.kordcarbon.com