

1. Acceptance of an Order/Draft Contract

- 1.1 The Supplier (hereinafter also referred to as the "Seller") must provide the Client (hereinafter also referred to as the "Buyer") a written confirmation of the acceptance of these Terms of Sale together with the acceptance of the order / draft contract. The electronic form is also considered a written form. The order / agreement is concluded no sooner than upon the delivery of this confirmation to the Client. If the specification of the goods in the order is unclear or if there is a difference between the specification of the ordered and delivered goods, the Supplier must inform the Client (Buyer) of this in writing.
- 1.2 Any rights and obligations of the Parties arising from the contract and these Terms of Sale are governed by the laws and regulations of the Czech Republic, in particular Act No. 89/2012 Coll., the Civil Code, as amended (hereinafter referred to as "CC").
- 1.3 The Contracting Parties shall exclude the application of Section 1740 (3) of CC, which provides that the Agreement is also entered into, even if the wills by the Parties are not manifested in the identical manner.
- 1.4 The necessary part of this Business Terms and Conditions is the document Contractual anti- corruption clause which is mandatory for contractual parties.

2. Contractual anti-corruption clause

- 2.1 Both contractual parties declare that they shall exert appropriate care in relation to the performance of this contract and will adhere to all legal regulations that are binding for the parties in the area of preventing corruption issued by authorized bodies in the Czech Republic and in the European Union, directly as well as when acting through subsidiaries or closely linked economic entities of the contractual parties.
- 2.2 Each party furthermore declares that in relation to the performance of this contract they shall adhere to all internal regulations that are binding for the given party and which govern the standard of ethical behavior, prevention of corruption, related to laws governing transactions, costs and expenses, conflicts of interest, provision and accepting of gifts and anonymous reporting as well as explanation of errors, directly as well as when acting through subsidiaries or closely linked economic entities of the contractual parties.
- 2.3 The contractual parties declare that in relation to the conclusion and performance of this contract, neither party and also none of their owners, shareholders, members of the board, directors, employees, subcontractors and no other person acting on their behalf had implemented, proposed, promised, or authorized to make a payment or provide other services/activities which could lead to financial or other enrichment and/or other direct income of any of the following persons:
 - a) a member of a statutory body, director, employee or representative of the given contractual party or any subsidiary or closely related economic entity of the contractual parties,
 - b) a state official, i. e. understood as a natural person that holds a public office as defined in the legal system of the country where the performance of this contract takes place or where the official headquarters of the contractual parties and/or of any subsidiary or closely related entity of the party are located;
 - c) a political party, a member of a political party or an applicant for a position in a government office;
 - d) a representative or mediator acting as a recipient of payments on behalf of any of the aforementioned persons; and/or
 - e) any other person or entity - with the aim of securing their influence, positive decision or activities which may lead to any illegal advantage or any other undesirable purpose, if such an activity violates or would violate legal regulations in the area of preventing corruption issued by authorized entities in the Czech Republic and in the territory of EU, directly as well as when acting through subsidiaries or closely linked economic entities of the contractual parties.
- 2.4 The contractual parties are obliged to immediately inform each other of each case of violation of the provisions of this clause. Upon written request of one contractual party, the counterparty will provide information and a response to a justified question of the first party that will pertain to performance of this contract as per the provisions of this clause.
- 2.5 In order to ensure the due performance of the aforementioned obligations, both contractual parties declare that during the performance of this contract they will ensure that every person acting in good faith will have the option to anonymously report problems via an email sent via the Anonymous System for Reporting Unethical Behavior: securityreport@unipetrol.cz.
- 2.6 If there is a suspicion that corruption took place in relation or for the purpose of providing performance as per this contract by any representative of the contractual parties, the SPOLANA s.r.o. reserves the right to perform an anti-corruption audit at the other contractual party in order to verify whether the other contractual party adheres to the provisions of this paragraph, notably in order to explain all matters related to potential corruption.

3. Technical Documentation

- 3.1 As an integral part of the service / goods, the Supplier shall also supply the related technical documentation in the Czech or English language (certificates, drawings, passports, safety data sheets, instructions manuals etc.) required and specified in the order / contract, together with the delivery of the service / goods to the delivery address.
- 3.2 The Supplier is also obliged to deliver the documentation together with the service / goods even if such documentation is not required in contractual documents related to delivery covered by these Terms of Sale, however the availability of such documentation arises from the nature of the given service / goods supplied and its use and availability is necessary. The documentation (drawings etc.) submitted by the Supplier to the Client for approval must highlight any changes against the specifications, in both their text and drawing part.
- 3.3 Unless agreed otherwise, the condition for taking the delivery of the goods by the Client is the provision of the required quality control documents pursuant to Act No. 22/1997 Coll., on Technical Requirements on Products (for products originating in the Czech Republic) and also to the European Parliament and Council Decision No. 768/2008/EC (for products originating in the countries of the European Union) the so called "EC Declaration of Conformity". The required declaration of conformity must be legible and understandable, in both Czech or English. The Supplier is responsible for the accuracy and completeness of the submitted documents or other required documentation.
- 3.4 If the goods are delivered directly by the manufacturer, we require "Declaration of the order conformity pursuant to ČSN EN 10 204 2.1. ". If the goods are not delivered directly by the manufacturer, a declaration that the delivered goods are in conformity with the order will suffice.
- 3.5 For supplies of fixtures, metallurgical material, we always require copies of the original inspection and metallurgical certificate according to ČSN EN 10204 3.1. Or, if the product is manufactured only for SPOLANA s.r.o., always ORIGINAL inspection and metallurgical certificates according to ČSN EN 10204 3.1. Other documentation, unless agreed in advance, is not permissible and such batch will be returned to the Supplier. In the event of multiple deliveries, the whole delivery must be returned, if such deficiencies are found.
- 3.6 If such technical documentation is not submitted, the Supplier is not entitled to the payment of the purchase price, as this is not deemed a due delivery.

4. Packaging and Labeling of Goods

- 4.1 The supplier shall make sure that the goods delivered are duly protected and packaged to ensure that the goods have standard condition at the time of delivery to the place of destination, and such protection and packaging must be compliant with the generally binding laws and regulations, in particular with Act No. 477/2001 Coll., on Packaging (hereinafter referred to as the "**Packaging Act**").
- 4.2 All goods must be labeled with the material number. Packaging must be labeled with a delivery address and order number of the Client.
- 4.3 The labeling must comply with all local and international regulations, including labeling hazardous or dangerous materials, items and substances.
- 4.4 The Supplier shall attach the delivery note and the copy of the order to enable a quick completeness check. If these documents are not available without breaking the packaging, the delivery will not be made accepted.
- 4.5 For FIXTURES, protection of the both bearing surfaces is required (lids, hard paper etc.).
- 4.6 Deliveries of shafts or piston rods must be carried out with the transport packaging where the material is firmly fixed at least at three points to avoid any sagging. This packaging will be a part of delivery.
- 4.7 The delivery note must include:
 - a) supplier and customer's designation, including the registered office seat or place of business, Company ID and VAT number
 - b) contract number / order number
 - c) delivery note number
 - d) date of issue of the delivery note
 - e) material SAP number from the Client's order
 - f) name, surname and telephone number of Supplier's contact person
 - g) total gross weight, net weigh
 - h) Incoterms 2010
 - i) other items required by generally binding legal regulations
- 4.8 Unless otherwise agreed in writing, the cost of packaging and related costs will be deemed included in the purchase price and the Supplier is not entitled to claim their reimbursement from the Client.

5. Delivery of Goods

- 5.1 The goods will be delivered to the customer at the delivery address specified in the order (contract) and no later than by the date stated in the order (the contract).
- 5.2 The goods will always be packaged in groups of one type / category (each SAP item separately), and will be visibly identified with the SAP material number given in the order.
- 5.3 If the item is supplied in accordance with the drawings, the supplier is obliged to attach a copy of the delivery documentation.
- 5.4 If certificates are included in the ND delivery, each certificate must bear a warehouse number of the Client to be able to assign the certificates for the items clearly.
- 5.5 The order must be delivered en bloc and complete. If this condition cannot be fulfilled, a partial delivery may be made only with the Client's consent.
- 5.6 If the goods are not labeled as required by the Client, the goods will be returned to the Supplier as goods delivered in conflict with the contract. The Supplier is responsible for the correctness of the address in line with the order and as a result, the place of delivery to the warehouse as per the relevant location.
- 5.7 The goods cannot be accepted at a different address than the one specified in the order. In such case, the Supplier will be invited to transfer the goods without undue delay, and at his expense, to the place of delivery specified in the contract.
- 5.8 In the event of any ambiguities, the Supplier will be required to request any explanations, if any, from the Client, or to inform him in writing of any conflicts or improper instructions, and make the delivery only when conflicting or issues are clarified questions and after mutual written agreement. Otherwise, the Client may refuse and return the goods at the Supplier's expenses, unless otherwise agreed in writing.
- 5.9 Should the Supplier fail to make the delivery by the date given in the order / contract (duly and timely, i. e. in the required quantity, quality and time), the Client may withdraw from orders / contract or request the delivery within a reasonable different time. The consent with the delivery within a different grace period provided by the Client to the Supplier does not relieve the Client of an option to claim compensation for damages that he has demonstrably incurred in relation to the failure to perform the contractual obligation to deliver the goods in due and timely manner.
- 5.10 In the event of any default with the delivery of ordered goods, the Supplier must pay the Client a contractual penalty of 0.25% from the purchase price for the goods for each day of default, up to the maximum of 10% from such price. The payment of the contractual penalty does not release the Client an option to claim any damages.
- 5.11 In the event of delivery of goods requiring handling by crane during the unloading operation and so on (dimensions exceeding 2mx2mx2m or a weight exceeding 3 tonnes), the Supplier must provide information of such delivery 7 days in advance.

6. Payment Terms

- 6.1 Unless otherwise specified in the order / contract, the payment for the service / goods is payable within 90 days following the delivery date of the invoice issued by the Supplier. The invoice may not be issued by the Supplier earlier than on the day when the goods are shipped to the Client. The payments will be made to the account given in the invoice. Each invoice must have at least the following particulars:
 - a) supplier and customer designation including the registered office, Company ID and VAT number
 - b) contract number and order of the Client, material number of the Client
 - c) invoice number
 - d) date of issue, due date, date of taxable supply
 - e) bank details, account number incl. IBAN code to which the payment is to be made
 - f) unit price per item
 - g) invoiced amount exclusive of VAT
 - h) VAT rate, VAT amount
 - i) total invoiced amount
 - j) name and telephone/email of contact person of the Supplier
 - k) accounting, shipping and customs fees, and other local taxes and fees deducted from the price
 - l) persons entered in the Companies Register or other records, details of such registration, including section and insert
 - m) other formalities required by generally binding legal regulations
- 6.2 In the event of default with the payment of a properly issued invoice, the Client is obliged to pay the Supplier a default interest of 0.25% of the outstanding amount of the duly invoiced price for each day of default, up to a maximum of 10% from the price.
- 6.3 Should not the invoice have all the required details or should the total amount be incorrect, the Client may return such invoice to the Supplier for correction as a tax document which does not have the required formalities. In such case, the Supplier may

neither claim to have the invoiced amount paid nor may he claim the agreed default interest or other sanctions if this is contractually agreed, until he provides the Client with a corrected invoice.

6.4 The payments will be made by wire transfer and will be made when the amount is debited from the Client's account. As the invoices are settled once a week, always on Thursday (Payment Day), each invoice is due on the first Thursday following the expiry of the maturity period from the date when the invoice is delivered to the Client. The Supplier explicitly acknowledges that he may not claim a default interest in this case.

6.5 The invoice having all the required details must be sent to the following address:

UNIPETROL RPA, s.r.o.

Záluží 1

436 70 Litvínov

or electronically to: faktury.spolana@unipetrol.cz

7. Passing of Title and Risk

7.1 The risk of damage shall pass to the Client upon taking the possession of the service / goods from the Supplier.

7.2 The title to the delivered goods shall pass upon the acceptance of the goods by the Client.

7.3 The fact that the goods are accepted must be confirmed beyond doubt. Other issues related to the passing of title and risk in connection with the subject-matter of the concluded order / contract, these terms of sale are an integral thereof by reference, are governed by the provisions of CC.

8. Rights from Defective Delivery

8.1 The Supplier explicitly warrants that the services / goods that are subject of delivery, are new and unused and comply with qualitative and quantitative requirements of the Client given in the order / contract and these Terms of Sale. Should the Client exercise any rights arising from defects, the Supplier must:

- a) remove the defect at his expense, within 14 days following the date when the notice of defect is delivered,
- b) replace the defective goods with new goods showing no defects

8.2 The Parties may also agree in writing that the claim arising from any defects found in the delivered service / goods will be compensated by the Supplier by providing a discount from the price of the delivered defective that will be accepted by the Client. If the defect in the goods cannot be removed, the Client may withdraw from the contract by giving a written notice of withdrawal that must contain a justification. The withdrawal will come into effect upon the delivery of the written notice to the Supplier. In such case, the Supplier shall be obliged, within 14 calendar days following the delivery of the notice of withdrawal at latest, to return the already paid price for the delivery of services / goods to the Client and if the goods are defective to accept them from the Client.

8.3 The Client must inform the Supplier of the defects and claims arising from defects in writing no later than within 60 days following their discovery, by the end of the quality guarantee agreed for the delivered services / goods. The Supplier must deliver goods to the Client without any legal defects (in particular, not subject to third party rights etc.).

9. Quality Guarantee

9.1 Unless otherwise agreed in the contract or stated in the order accepted by the Supplier, order, the Supplier provides a quality guarantee of 24 months for the delivered services / goods which are subject to the delivery under the contract / order.

10. Hazardous Substances

10.1 The Supplier must comply with any restrictions related to hazardous substances arising from the generally binding legal regulations, in particular Act No. 350/2011 Coll., on Chemical Substances and Chemical Mixtures, and related regulations (e.g. restrictions related to asbestos and other hazardous substances).

11. Safety at Work and Environmental Protection

11.1 When managing waste, particularly with regard to removal, material, energy or other uses, the Supplier must proceed in line with the requirements of Act No. 185/2001 Coll., On Waste (hereinafter the "Waste Act") and its implementing legal regulations. A special attention will be paid to the management of hazardous wastes, and selected wastes defined in the Waste Act (e.g. asbestos, asbestos containing products, PCBs and equipment containing PCBs, waste oils, etc.), arising in connection with the delivery of the subject-matter hereof. In the event of breach of such obligations, the Supplier will compensate any harm (including non-pecuniary damage, sanctions, fines and penalties) incurred as a result of such breach.

11.2 The Supplier must fulfill the obligations laid down in the European Parliament and Council Directive 94/62 /EC of 20 December 1994 on packaging and packaging waste, as amended; to provide information on the utilization of packaging waste in the

scope and in a form allowing the Client to document the fulfillment of requirements regarding the utilization of packaging waste according to the relevant generally binding legal regulations (in particular Act No. 477/2001 Coll., on Packaging and Waste Act):

- a) weight
- b) description of the material (it may also be composite materials, i. e. material composed of different materials)
- c) method of disposal (use or removal)
- d) usability (e. g. recycling, energy or organic utilization)
- e) usability (possibly repeated - returnable packaging)
- f) quantity of recovered used packaging and how they are used (use or removal)

12. Dispute Resolution

- 12.1 Any and all disputes arising out or in connection with the order / contract will be finally settled before the Arbitration Court attached to the Chamber of Commerce of the Czech Republic and Agricultural Chamber of the Czech Republic according to its rules by three arbitrators or by one arbitrator appointed by Chairman of the Arbitration Court. The arbitrators will adjudicate the dispute in line with the Rules of Arbitration and Rules of the given that court.

13. Other provisions

- 13.1 The Supplier may not assign or dispose of or encumber any claim against the Client or any part thereof arising from hereunder to a third party without a prior written consent of the Client. In the event of a breach of this obligation, the Supplier must pay the Client a contractual penalty of 30% of the nominal value of the respective claim.
- 13.2 The Contractor may not set-off any of his claims arising from hereunder against any claim of the Client without his prior written consent.
- 13.3 Confidentiality of information: The Parties undertake to keep confidentiality of all facts of a non-public nature that they will learn in the course of the fulfillment of the subject-matter of the order / contracts and from these Terms of Sale about the other Party. In this context, the Supplier also agrees to ensure the fulfillment of this obligation by all involved staff members of the subcontractors. The Parties undertake not to disclose any information which is deemed confidential by the concerned Contracting Party and which is in any way related to the fulfillment of the subject-matter of the order / contract and these Terms of Sale to a third party without a prior written consent of the other Contracting Party. The results of the project work and other documentation created by the contractor during the fulfillment of the subject-matter of the order / contract and these Terms of Sale are property of the Client (respectively, the Client acquires an unlimited right to use these items free of charge where applicable) who may exercise the possessory rights to them at his discretion. The Supplier may exercise any possessory rights to the results of the project work also for his own purposes and provide them third parties only with the consent of the Client.
- 13.4 Business Ethics - The Contractor undertakes not to pay directly or indirectly any wages, commission or other remuneration, compensation or rebates to employees, directors or members of bodies of the Client, unless such performance is the subject-matter of a contractual relationship entered into by and between the Supplier and the Client, or unless such performance arises from another legitimate relationship which is not in conflict with the provisions of this Article. The Supplier agrees not to provide any benefits to employees or members of bodies of the Client, or their close persons or persons indicated by such employees, members of bodies, such benefits may include (including but not limited to):
- a) provisions of gifts or entertainment in the amount exceeding CZK 1,000 per year;
 - b) provision of gifts in the form of cash or cash equivalents (such as stocks or other forms of marketable securities) in any amount,
 - c) provision of any services under unusually favorable conditions, including provision of loans or credits for other than standard and market prices,
 - d) sale of goods for less than full market value.

The Supplier agrees not to enter into business relations with employees or members of bodies of the Client, except when these act as authorized representatives of the Client.

The Supplier agrees not to require the benefits listed in clause 19.3 from Client for himself, his employees, directors or members of his bodies for other persons indicated to the Client.

The Supplier's obligations towards the Client given herein are equally binding for subcontractors and other persons involved in the fulfillment of the subject matter hereof.

The Supplier will inform the Client of any violations of business ethics by employees or members of bodies of both the Client and the Supplier immediately when he learns of them.

- 13.5 Should the contractual documents / orders contain a different provision, the provision contained in the contract / order shall take precedence over the provision contained in these Terms of Sale. The Supplier / Seller has made himself acquainted and

acknowledges that these Terms of Sale are relevant for the concluded contractual relationship and are available at <https://www.unipetrolpa.cz/en/AboutUs/Pages/Purchasing-and-Suppliers.aspx> (<https://www.unipetrolpa.cz/en>, section "ABOUT US", subsection "Purchasing and Suppliers"). If he has no means to make use of this option, he must inform the Client / Buyer in writing of this and request the Terms of Sale in paper form.