

**I. Introductory provisions**

1. These General terms and conditions of the purchase contract (hereinafter referred to only as "GTC") regulate relations between the Seller and the Buyer in terms of deliveries of movables (hereinafter referred to only as "subject of the contract" or "goods"). Different arrangements between the contracting parties specified in the document "Order – Purchase contract" (hereinafter referred to only as "order") shall take precedence over the provisions of these GTC.
2. After receiving an order, the Seller shall send the Buyer written confirmation of this within the deadline specified in the order. For these purposes, negotiations conducted via remote electronic means of communication shall also be regarded as having been conducted in written form, in particular exchange of e-mails or other electronic messages delivered to the e-mail address of the Buyer specified in the "contact details" section of the order; if no e-mail address is specified there, negotiations conducted via remote electronic means of communication shall not be regarded as having been conducted in written form. Confirmation of an order by the Seller within the deadline specified in the first sentence of this provision or commencement of performance by the Seller within the deadline for performance specified in the order shall lead to conclusion of a purchase contract which shall be constituted by the order, its attachments and these GTC.
3. The necessary part of this GTC is the document Contractual anti-corruption clause which is mandatory for contractual parties.

**II. Subject of the contract**

1. The Seller undertakes to deliver the goods specified in the order to the Buyer, as well as documents which relate to the goods, including a "Declaration of conformity", "EC Declaration of conformity", or "Declaration of properties", within the meaning of Act no. 22/1997 Coll., on Technical Requirements for Products, as amended, and the respective government decrees, pursuant to the specifications valid as at the date of launch of the product onto the market or commissioning of the equipment, to transfer right of ownership of the goods to him and the Buyer undertakes to accept flawless goods and to pay the Seller the agreed purchase price.
2. For goods which the requirement of art. 31 of Regulation (EC) No 1907/2006 of the European Parliament and of the Council concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) relates to, the Seller is obliged to provide the Buyer a data safety sheet no later than at the time of delivery of the goods; if the Seller breaches this obligation, the Buyer shall be entitled to withdraw from the purchase contract.
3. Specification of the goods, their technical, qualitative and quantitative parameters are specified in the order or may constitute a separate attachment to this, which shall become an integral part of the purchase contract on confirmation of the order. If the qualitative parameters or design of the goods is not specified in the order, the Seller shall deliver goods of a quality and design corresponding to the legal regulations, the valid technical or quality standards relating to the goods which are not generally binding, or the standards of the Seller; in the event of any discrepancy between the parameters specified in the documents pursuant to this sentence, the stricter parameters shall always apply.
4. If delivery of goods is agreed in the order not all at once but gradually in individual partial deliveries, the goods shall be delivered by the Seller in the quantity and composition required by the Buyer in written requests, on the understanding that each such request shall be sent by the Buyer via remote electronic means of communication to the Seller's address specified in the order confirmation, otherwise to another address of the Seller ascertainable from publicly accessible sources on the internet, this being at least 3 days before the required delivery of the partial delivery of goods.
5. Goods shall be delivered by the Seller to the place of delivery which is SPOLANA s.r.o., goods intake, Spojovací, municipality of Libiř, unless stipulated otherwise in the order or agreed otherwise by the contracting parties. Delivery terms may be specified in the order pursuant to INCOTERMS.
6. The Seller undertakes to deliver goods to the Buyer, including all documents relating to the goods, on the date specified in the order. If the Seller fails to deliver goods even within the additional period determined by the Buyer, the Buyer shall be entitled to withdraw from the contract.
7. Before the date specified in the order, the Seller shall be entitled to provide performance only with the consent of the Buyer.
8. The contracting parties shall draw up a record of handover of the goods; the provisions of art. V. para. 2 first sentence shall not be affected.
9. If the Seller delivers a greater quantity of goods than agreed, the Buyer may refuse the excess quantity of goods within ten days of acceptance of the goods.

10. If rights resulting from intellectual property relate to the goods, the Seller shall provide the Buyer the right to exercise such intellectual property rights and to use, including duplication, of the original work in an unlimited scope (hereinafter referred to only as "licence"); the licence shall be granted as territorially unrestricted for a period of 50 years from the date of acceptance of the goods by the Buyer. The Buyer is not obliged to use the licence specified in this paragraph. The Buyer is entitled to grant the licence specified in this paragraph to a third party in full or in part. The licence fee is included in the purchase price. If the Seller is not the holder of rights resulting from intellectual property relating to the goods, the Seller shall grant the Buyer sublicense subject to the conditions and in the scope specified in the first to fourth sentences of this provision; with regards to his, the Buyer declares that he is entitled to grant such a sublicense.

### III. Purchase price and payment conditions

1. The purchase price is specified in the order (usually for the individual item/unit of measurement and always in total) in a level exclusive of value added tax, unless evident otherwise from the order.
2. The purchase price includes all of the Seller's costs relating to delivery of the goods to the Buyer, including costs for packaging and transportation of the goods to the place of delivery, unless specified otherwise in the order or agreed otherwise by the contracting parties.
3. The purchase price shall be billed by the Seller by means of a tax document – invoice after delivery of the goods. Other than the requirements of a tax document pursuant to Act no. 235/2004 Coll., on Value Added Tax, as amended (hereinafter referred to only as "VAT") and the requirements of a commercial document pursuant to Section 435 Act no. 89/2012 Coll., Civil Code (hereinafter referred to only as the "Civil Code"), or the requirements specified by the legislation in the place of residence or registered office of the Seller, if the Seller is a person with place of residence or registered office outside the territory of the Czech Republic, the issued invoice shall include the order number, and where applicable the amount of deposit provided, a document confirming acceptance of flawless goods by the Seller shall always constitute an attachment to the invoice (record, delivery note or similar). The Seller shall be obliged to deliver the invoice to the address UNIPETROL RPA, s.r.o., Záluží 1, 436 70 Litvínov, or electronically to [faktury.spolana@unipetrol.cz](mailto:faktury.spolana@unipetrol.cz), or to another delivery address for sending of invoices specified in the order, otherwise the liability of the Buyer for delay in payment of the invoiced purchase price shall be excluded.
4. The Seller shall also charge value added tax to go with the invoiced purchase price in the rate specified by the legislation effective as at the date of taxable performance; the Buyer shall be obliged to pay the Seller duly billed value added tax.
5. Invoice maturity is specified in the order, if not specified this period shall be 90 days from delivery of the invoice to the Buyer's address for sending of invoices specified in art. III. para. 3 GTC. If invoice maturity is set at a period of longer than 60 days, the Seller explicitly declares that he does not regard this as grossly unfair with regards to himself.
6. If the invoice does not contain the above-mentioned requirements or if certain information is missing in it or if it exhibits other defects with regards to content or form, the Buyer shall be entitled to return it to the Seller within the maturity period specifying the reason for its return. In such a case, the maturity period shall be interrupted and the Seller shall be obliged to issue a new invoice. After delivery of the new invoice, the agreed maturity period shall begin again.
7. The invoiced purchase price shall be paid by means of cashless bank transfer to the Seller's account specified in the invoice. The obligation to make payment shall be met by debiting of the respective amount from the Buyer's account to the Seller's account.
8. The Seller declares that as at the date of conclusion of the purchase contract, he is not an unreliable payer within the meaning of Section 106a VAT or similar provisions of the respective legislation of the country in which the Seller has his registered office or place of residence, if he is a person with a registered office or place of residence outside the territory of the Czech Republic (hereinafter referred to only as "similar legislation").
9. If the respective tax administrator decides, in accordance with the VAT or similar legislation, that the Seller is an unreliable payer, the Seller undertakes to inform the Buyer of this fact in writing without delay, no later however than within 3 days of such decision having been delivered to him.
10. If the Buyer ascertains in any manner that:
  - the account determined by the Seller for payment of the purchase price is not a published account, or
  - the Seller is an unreliable payer,the Buyer shall as he sees fit, be entitled to:
  - a) pay value added tax directly to the respective tax administrator, or

- b) pay the Seller the billed amount exclusive of value added tax, on the understanding that value added tax shall be paid by the Buyer to the Seller after the Seller provides the Buyer decision by the tax administrator specifying that the Seller is not an unreliable payer.
11. If the Buyer pays the respective value added tax directly to the tax administrator, in terms of which it shall not be decisive whether he does so on the basis of his entitlement pursuant to the previous paragraph of this article or whether he is called on by the tax administrator to pay by virtue of guarantee pursuant to the VAT or similar legislation, on the date of crediting of the respective amount to the account of the respective tax administrator, the obligation of the Buyer to pay the Seller value added tax shall expire in the level paid in this manner. In such a case, the Buyer shall not be obliged to pay the Seller the amount corresponding to value added tax.
  12. The Seller undertakes to pay the respective tax administrator value added tax duly and on time from all payments which he receives in accordance with the purchase contract from the Buyer. In the event of breach of this provision, the Buyer shall be entitled to withdraw from the contract.
  13. The Buyer shall be entitled to set off mutually due and not yet due receivables against due and not yet due receivables of the Seller, this also being such receivables which can be regarded as uncertain pursuant to Section 1987 para. 2 Civil Code.
  14. The Seller is not entitled to assign or use as security for his obligations towards a third party receivables owed by the Buyer created on the basis of a purchase contract or in relation to it without the prior written consent of the Buyer.

#### IV. Penalties

1. In the event of delay in payment of the purchase price, the Seller shall be entitled to charge the Buyer punitive interest in the amount of 0.01% of the amount due exclusive of VAT for each day of delay.
2. In the event of delay on the part of the Seller with delivery of goods, the Buyer shall be entitled to charge the Seller a contractual penalty in the level of 0.5% of the purchase price of the undelivered goods exclusive of VAT for each day of delay begun.
3. In the event of delay on the part of the Seller with satisfaction of the rights of the Buyer arising from defective performance (see art. V. para. 2 and para. 3 GTC) or from a quality warranty provided (see art. V. para. 6 GTC), the Buyer shall be entitled to charge the Seller a contractual penalty in the amount of CZK 1,000.00 for each individual defect which the delay relates to and for each day of delay begun.
4. If the Seller breaches his obligation resulting from art. III. para. 12 GTC and the Buyer, in his capacity as the guarantor pursuant to the VAT or similar legislation, is called on by the tax administrator to pay value added tax, the Buyer shall be entitled to charge the Seller a contractual penalty in each individual case in the level of 1.1 times the value added tax which the Buyer is called on to pay in his capacity as the guarantor pursuant to the VAT or similar legislation.
5. If the Seller breaches his obligation pursuant to art. III. para. 14 GTC, the Buyer shall be entitled to charge the Seller a contractual penalty in the amount of 10% of the level of each assigned or pledged receivable; in the event of non-monetary receivables, the contractual penalty shall amount to CZK 50,000.00.
6. If the Seller breaches any obligation specified in the purchase contract, meeting of which is not secured by any of the above-mentioned contractual penalties, the Buyer shall be entitled to charge the Seller a contractual penalty in the amount of CZK 1,000.00 for each individual breach of obligation and each day of duration of this breach.
7. Agreement on contractual penalties shall not affect entitlement to compensation in full for damage created in causal relation to breach of obligation secured by means of a contractual penalty.
8. Contractual penalties shall be payable within 7 days of delivery of billing for them to the other contracting party.

#### V. Liability for defects

1. The Seller explicitly assures the Buyer that the goods are free from defects at the time of handover and that they are not burdened by any rights of the Seller or third parties. Rights of the Seller or third parties relating to the goods resulting from intellectual property which the Seller has provided licence or sublicense for pursuant to art II. para. 10 GTC shall not be regarded as a legal defect to the goods.
2. The Buyer shall be obliged to perform inspection of the goods within 10 days of their acceptance. If the Buyer ascertains the goods are defective, he shall notify the Seller of this in writing within 10 days and specify the defect or describe how the defect exhibits itself. If the goods are defective, the Buyer shall as he sees fit be entitled to:
  - a) removal of the defect by delivery of new goods free from defects or delivery of the missing goods,
  - b) removal of the defect by repair to the item,

- c) an adequate discount on the purchase price (unless the contracting parties agree otherwise, an adequate discount on the purchase price shall amount to 10% of the purchase price for the goods in which a defect exhibited itself), or
  - d) withdraw from the contract.
3. If the Buyer exercises any right from defective performance pursuant to art. V. para. 2 letter a) to c) GTC, the Seller shall be obliged to satisfy this right within a period of 7 days of delivery of notification of exercising of the right, unless another adequate period is specified therein. The Seller shall be obliged to satisfy any right exercised by the Buyer pursuant to this paragraph at his own cost, even if he does not acknowledge his liability for the defect; in such a case, he shall bear costs for satisfaction of the rights of the Buyer until final decision by a court that he is not liable for the defect.
  4. If the Seller fails to satisfy the right of the Buyer pursuant to art. V. para. 2 letter a) or letter b) GTC in accordance with art. V. para. 3 GTC, the Buyer shall be entitled to satisfy this right using his own capacities or via a third party, all of this at the cost of the Seller. The provisions of art. IV. para. 3 GTC shall not be affected by this.
  5. The Seller undertakes that the goods shall be fit for use for the purpose specified in the contract and if not specified, then for the usual purpose, and that they shall retain the properties specified in the purchase contract and if not specified, the usual properties, all of this for the duration of the warranty period. Unless specified otherwise in the order, the warranty period shall start at the moment of acceptance of the goods by the Buyer and shall last for 48 months.
  6. If the Buyer ascertains that the goods are defective during the warranty period, the provisions of art. V. para. 2 GTC, with the exception of the first sentence and art. V. para. 3 and para. 4 GTC shall be applied *mutatis mutandis*.
  7. The warranty period shall be prolonged by the period over which the Buyer was unable to use the goods due to defects. The Buyer shall be provided a quality warranty for goods for which the Buyer's right was satisfied pursuant to art. V. para. 2 letter a) or letter b) GTC, pursuant to art. V. para. 5 GTC.

#### **VI. Other provisions**

1. The rights and obligations of the contracting parties resulting from the purchase contract or relating to it shall be governed by law of the Czech Republic.
2. The contracting parties are obliged to inform each other of change to their contact details including change to their registered office. If they fail to do so, they shall be liable to the other contracting party for any damage incurred.
3. The Seller assumes risk of change in circumstances within the meaning of Section 1765 para. 2 Civil Code, especially in relation to change in prices of input raw materials, wages, fuel and operational fluids, public fees or aggravated operating conditions and similar.
4. The Buyer reserves the right to sell goods back pursuant to Section 2139 Civil Code.
5. Not exercising any right, entitlement or remedial measure pursuant to the purchase contract by any contracting party or deferral of such exercising shall not be interpreted as waiving of these rights, entitlements or remedial measures.
6. The contracting parties undertake to proceed in accordance with the principle of good faith. For the purposes of the purchase contract, the principle of good faith shall be understood to mean entitlement on the part of each contracting party at any time during interpretation and application of this contract to presume that the other contracting party and their employees are acting in the interest of both contracting parties and always looking for a solution which is to the benefit of both contracting parties, that the other contracting party and their employees are acting pursuant to the rules of this contract, their own internal regulations, that they are authorised to perform such action and that they will communicate all relevant information, data and facts, unless the opposite is proven.
7. The Seller undertakes to perform his activity in compliance with the generally binding legislation, generally acknowledged principles, preserving moral standards and adhering to the principles of business ethics, to refrain from any action which could be regarded as unethical by a third party and in conflict with good morals, business practice and generally binding legislation, and not to use the purchase price paid pursuant to the purchase contract in any manner which would constitute a criminal offence or which could in any other way establish serious breach of the respective law or regulation. If the Seller breaches his obligation specified in this provision, the Buyer shall be entitled to withdraw from the contract.
8. The purchase contract may only be altered in writing; change in any other form is excluded. For the these purposes, other than cases when the will of the parties is captured in a document or documents with the signatures of authorised parties, negotiations conducted via remote electronic means of communication by exchange of e-mails and delivered to the e-mail addresses of the authorised parties of the other contracting party specified in the order and confirmed by these parties shall also be regarded as having been conducted in written form.

9. The purchase contract contains complete agreement with regards to the subject of the contract and all particulars which the parties should have and wanted to agree on in the contract, and which they regard as important for the binding force of this contract. No statement by the parties made during negotiations on this contract or statement made after conclusion of this contract may be interpreted at variance with the explicit provisions of this contract and shall not establish any obligation of either of the parties.
10. The content of rights and obligations of the contracting parties from the contract shall first and foremost always be interpreted according to the verbal statement of the individual arrangements in the contract. The intention of the negotiating party may only be taken into consideration if it is not in conflict with the verbal statement. Only if there is any ambiguity with regards to the meaning of the verbal statement of individual arrangements shall the other legally determined rules for determination of the content of rights and obligations of the contracting parties be applied.
11. The Contracting parties do not wish any rights and obligations to be inferred above the framework of the explicit provisions hereof from current or future practice established between the Contracting parties or habits preserved in general or in the branch relating to the subject of performance of this contract, unless explicitly agreed otherwise herein. Apart from the above-mentioned points, the contracting parties confirm that they are not aware of any commercial habits or practice established to date between them.
12. The Buyer shall be liable for damage caused by him to the Seller in relation to the purchase contract up to the level of 5% of the total purchase price exclusive of VAT specified in the order. The right of the Seller to compensation for damage caused by failure to settle a monetary debt of the Buyer is excluded. The Buyer shall only provide the Seller compensation for actual damage, not loss of profit. Damage shall be settled in monetary terms.
13. Wherever the liability of the Buyer for delay is excluded in the contract, no entitlement shall be created for the Seller to punitive interest for this reason, entitlement to compensation for damage, the right to withdraw from the contract or entitlement to a contractual penalty.
14. If any of the provisions of the purchase contract are found to be or become invalid, ineffective or unenforceable, this fact shall not affect the other valid, effective and enforceable provisions of the purchase contract. The contracting parties shall strive to replace such a provision with a provision which is valid, effective and enforceable.
15. If the Seller is a person with a registered office or place of residence outside the territory of the Czech Republic or if the Seller becomes such a person over the duration of the purchase contract, the contracting parties agree that for ruling on their disputes resulting from this contract or in relation to this, the district court in Mělník shall be competent in the first instance, if a district court is competent to rule on the matter in the first instance pursuant to the legislation, or the regional court in Prague, if a regional court is competent to rule on the matter in the first instance pursuant to the legislation, unless the exclusive competence of a different court is given for ruling in the matter.
16. The contracting parties rule out application of the following provisions of the Civil Code: Section 557; Section 1740 para. 3; Section 1743; Section 1751 para. 2; Section 1798; Section 1800; Section 2111; Section 2112.

#### **VII. Contractual anti-corruption clause**

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. 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.
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.
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.
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](mailto:securityreport@unipetrol.cz).
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.