



**TERMS AND CONDITIONS OF THE COMPANY Strojírny a stavby
Třinec, a. s., for the sale of goods and services**

Validity from 1.4.2024

I. General provisions

1. These Terms and Conditions of Sale and Delivery (hereinafter referred to as "**TCs**") are commercial terms and conditions within the meaning of the provisions of Section 1751 et seq. of Act No. 89/2012 Coll., Civil Code, as amended. The purpose of these Terms and Conditions is to regulate in detail the obligations under contracts between the Seller - Strojírny a stavby, a. s., and the Buyer - a legal or natural person engaged in business in the sale of goods and provision of services.
2. These TCs, together with the specific terms and conditions of sale contained in the framework agreement, purchase agreement, service contract or work contract (hereinafter collectively referred to as the "**Contract**"), constitute a complete agreement between the parties on the terms and conditions of sale or provision of services and supersede all existing terms and conditions previously proposed by the buyer or seller and previous oral or written agreements. In the event that the Contract implies a different arrangement between the parties than these TCs, then the provisions of the Contract shall prevail over these TCs.
3. The TCs shall be binding on the Contracting Parties from the date of conclusion of the Contract if the TCs are attached to the Contract or if the relevant Contract contains a reference to the TCs and the Buyer confirms in the Contract or otherwise that it is aware of the contents of the TCs.
4. These TCs shall apply mutatis mutandis to the Services to the extent that their individual provisions do not by their nature preclude this with regard to the purpose and content of the Contract, the subject matter of which is the provision of the Services. For the purposes of the provision of services, in these TCs, the Buyer means the Customer and the Seller means the Contractor and the Goods means the Service.
5. Any amendments or additions and supplements to the Contract shall only be permitted in writing in the form of a numbered, dated and mutually signed addendum, subject to the prior agreement of both parties.
6. Legal acts made in writing shall also be deemed to be legal acts made by electronic or other technical means enabling the content to be recorded and the person acting to be identified, provided that their content is specific and comprehensible and that the legal act is made by the person named in the Contract or by another person authorised to do so; this shall not apply in the case of acts pursuant to Article I, paragraph 5 of these TCs.
7. All data referred to in the Contract, as well as information, documents and other documents provided by the Seller to the Buyer in connection with the Contract, which are not generally available, are trade secrets of the Seller (hereinafter also referred to as "**Confidential Information**"). The Buyer undertakes not to use such Confidential Information for its own use contrary to the purpose of the Contract, nor to disclose it or allow access to it to third parties without the prior written consent of the Seller.
8. In the event that the Buyer fails to fulfil any of its contractual or legal obligations, the Seller shall be entitled to insist on their fulfilment, and if the Buyer fails to remedy or remedy the consequences of the failure to fulfil the obligation even upon written request of the Seller, the Seller shall be entitled to withdraw from the Contract. In both cases, the Seller shall be entitled to compensation for the property damage incurred. This is without prejudice to the Seller's rights to withdraw from the Contract under other provisions of the Contract or these TCs.

II. Packaging

1. Unless the parties agree on a special way of packaging the goods, the Seller is obliged to provide the goods with the usual packaging suitable for the dispatch and transport of the type of goods supplied (these are industrial packaging meeting the requirements of Act No. 477/2001 Coll., on packaging, as amended).
2. The Seller has concluded a Contract of Associated Performance with the authorised packaging company EKO-KOM, a.s., within the meaning of Act No. 477/2001 Coll., on Packaging, as amended (identification number KS-201440000414), on the basis of which the authorised packaging company ensures the fulfilment of the obligations of take-back and recovery of waste from all packaging placed by the Seller on the market or in circulation.
3. The packaging in which the goods are packed shall be considered as non-returnable packaging, which shall remain at the disposal of the Buyer (the Buyer becomes the owner of the packaging upon receipt of the goods), except for packaging for which the Parties agree on the conditions for its return to the Seller. Packaging which is the subject of such an agreement shall remain the property of the Seller at all times, provided that during the period of disposal by the Buyer, the Buyer shall bear the risk of damage to it.

III. Price and payment terms

1. The agreement on the price of the goods or on the method of determining it is an essential element for the formation of the Contract.
2. The Contract specifies the price of the Goods excluding value added tax (hereinafter referred to as "VAT"). The Buyer is obliged to pay the price of the Goods after adding VAT in the amount determined in accordance with the relevant legislation. This does not apply if the performance is under the reverse charge regime and the Buyer is obliged to declare VAT.
3. If the price of the goods per unit of weight is agreed (e.g. price per 1 tonne/CZK/EUR), the figure determined from the Seller's weighing scale, or from another certified weighing scale located on the premises of the metallurgical company TRINECKÉ ŽELEZÁRNY, a.s., is decisive for determining the total price of the goods. When determining the price of the goods according to other units (unit of measure, e.g. meter) or according to the number of pieces of goods, the decisive figure is the figure of the goods shipped as stated in the relevant shipment document.
4. The Seller shall have the right to charge the price of the goods on the basis of a tax document - invoice issued on the date of the taxable performance, i.e. on the date when the obligation to deliver the goods is fulfilled in accordance with the content of the agreed delivery clause according to the ICC Rules for the Use of Clauses in National and International Trade INCOTERMS 2010, or any other agreed version of INCOTERMS (hereinafter referred to as "**INCOTERMS**"), unless otherwise provided in the Contract.
5. The Buyer is obliged to pay the price of the Goods to the Seller's account specified in the tax document, within 30 days from the date of the invoice, unless a different payment period is agreed in the Contract. The Buyer is obliged to object to the content of the issued tax invoice within 5 days from the date of its delivery.
6. The date of payment shall be the date on which the invoiced amount corresponding to the full price of the goods or any other monetary debt of the Buyer (including VAT, if invoiced to the Buyer for payment) is credited to the Seller's bank account.
7. In the event that the Buyer is in default in the performance of any monetary debt, or any part thereof, the Seller shall be entitled to demand interest on the default at the agreed rate of 0.025% of the amount due for each and every day of delay.
8. The Seller is entitled to request an advance payment for the price of the goods; in this case, the basis for payment of the advance payment is the advance invoice, which is due within the period agreed in the Contract, otherwise within the 10-day due date running from the date of its issue. Payment of the advance is a condition for the delivery of the goods to the Buyer.

9. The Seller shall not be obliged to hand over the goods, shall be entitled to withdraw from the Contract or exercise other rights under the Contract or these TCs if the Buyer fails to comply with the payment terms for the payment of any monetary debts to the Seller, also if the Buyer fails to provide the Seller with sufficient security for the debts in accordance with the Contract, or fails to comply with other obligations under this Article III of the TCs. In such cases, the Seller shall not be liable for any delay in delivery of the goods.

10. The Buyer shall not be entitled to assign any of its claims against the Seller arising out of or in connection with the Contract to another entity, or to create a lien on such claims to secure its debts or the debts of third parties, without the prior written consent of the Seller. In the event of a breach of this obligation by the Buyer, a contractual penalty of 20% of the nominal value of the wrongfully assigned or pledged receivable is agreed.
11. In the event that circumstances arise that threaten the Buyer's ability to properly repay its monetary obligations (entering into liquidation, filing for insolvency, bankruptcy, default on a monetary obligation for more than 30 days, etc.), the Seller shall be entitled to call upon the Buyer to immediately pay all obligations in respect of which an invoice - tax document has already been issued, regardless of their due date. The Buyer shall be obliged to pay these obligations within 5 days of the date of delivery of the notice, unless otherwise agreed. The Seller shall also be entitled in such a case to demand payment of the price of the goods in advance for all outstanding deliveries, irrespective of the payment terms already agreed.

IV. Terms of delivery

1. Unless otherwise agreed in the Contract, the Seller shall fulfil the obligation to deliver the goods to the Buyer by handing them over in accordance with the content of the agreed delivery clause according to INCOTERMS. The Seller shall mark the Goods manifestly as a consignment for the Buyer. The risk of damage to the goods (i.e. the risk of loss and damage) shall pass to the Buyer in accordance with the content of the agreed delivery clause.
2. The Seller shall deliver the goods within the period agreed in the Contract as the time of performance. The Seller is entitled to deliver the goods early, unless the Buyer refuses such delivery after being informed by the Seller that the goods are ready for dispatch. The Buyer is not entitled to demand early delivery of the goods.
3. The Seller shall promptly inform the Buyer of any impediments preventing/threatening the Seller's performance date and shall use its best efforts to promptly remove such impediments. The Seller shall have the right to extend the time of performance by the period of time during which the Buyer is in default in the performance of its monetary debts to the Seller, including under another contract.
4. If it is agreed in the Contract that the Seller arranges the transport of the goods to the agreed destination, the Buyer is obliged to deliver to the Seller written instructions for the transport of the goods no later than 10 days prior to the shipment of the goods, unless otherwise agreed in the Contract. The instructions shall include all relevant information necessary for the carriage of the goods, in particular the identification of the consignee and the place of unloading of the goods, the working hours for the receipt of the shipment, the specification of holidays and other restrictions or exclusions in the unloading on the part of the consignee. In the event that the Seller does not receive the instruction within the agreed period, or if the instruction is incomplete or inaccurate, the Seller shall be entitled to postpone the date of shipment of the goods without this constituting a breach of the Contract on its part. The Seller shall also be entitled to claim payment for any material damage suffered by it as a result of the Buyer's breach of its obligation to provide proper and timely instructions for the shipment of the goods.
5. The Seller shall notify the Buyer of the dispatch of each consignment of goods (notice) within 24 hours after dispatch, if this obligation results from the agreed INCOTERMS delivery clause.
6. The Seller shall be entitled to make a sub-delivery (partial delivery) of the goods and the Buyer shall be obliged to take delivery of the sub-delivery.
7. If the contracting parties agree to hand over the goods to the Buyer at the Seller's warehouse, the Buyer, or a person authorized by the Buyer, undertakes to take over the goods within the period specified in the written invitation to take over the goods. If the Buyer fails to do so, the Seller's obligation to hand over the goods shall be deemed to have been duly fulfilled on the last day of the period specified for taking over the goods. On the same day, the risk of damage to the goods shall pass to the Buyer. By delaying the acceptance of the goods in the Seller's warehouse, the Buyer loses its liability for defects in the goods which cannot be prevented by the available storage methods (e.g. atmospheric

corrosion, etc.). The Buyer is obliged to pay the Seller a storage fee of 1% of the price of the stored goods, excluding VAT, for each day of storage. If the Buyer defaults in taking possession of the goods in the Seller's warehouse, the Seller shall be entitled to arrange for the goods to be sent to the Buyer at the Buyer's registered address, at the Buyer's expense. In this case, handover of the goods shall take place when they are handed over to the first carrier for carriage to the Buyer.

The Buyer shall pay to the Seller all such costs of alternative delivery and storage of the goods within 30 days from the date of delivery of the invoice to the Buyer.

8. If the Buyer fails to take delivery of the Goods at the time and place agreed under the Contract even within three (3) days following the day on which it was obliged to do so, the Seller shall be entitled to withdraw from the Contract, to sell the Goods to another interested party and to claim compensation from the Buyer for any damage incurred in this connection.
9. In the event that the goods are delivered to the Buyer - an entity registered for value added tax (VAT) in the territory of another EU state, the sale of the goods is subject to the reverse charge regime for the Buyer, provided that the statutory requirements are met. The delivery document in the territory of an EU country is the relevant transport documents, in particular the bill of lading CMR, CIM, B/L, etc. If the delivery of the goods is made under the INCOTERMS delivery clause, according to which the Seller is under no obligation to the Buyer to ensure the cross-border transport of the goods to the agreed destination, the Buyer undertakes to provide the Seller without delay with appropriate proof of the export of the goods to the territory of another state, or to accept against the confirmation the delivery document provided by the Seller and proving the export of the goods to the territory of another state.
10. The Buyer undertakes to immediately inform the Seller in writing of any changes concerning its tax identification (VAT number) or changes in the VAT registration regime (taxpayer - non-taxpayer). In the event of a breach of this obligation by the Buyer, the Seller shall be entitled to claim compensation for any pecuniary loss incurred by the Seller as a result of the payment of VAT or the payment of penalties or other charges to the tax authorities.
11. The Seller is obliged to hand over to the Buyer the documents necessary for the acceptance and use of the goods, as well as any other documentation related to the goods (e.g. certificates) to the extent agreed in the Contract, unless otherwise agreed.

V. Ownership of the goods

1. The goods remain the property of the Seller until the price of the goods including VAT has been paid in full (so-called "**retention of title**").
2. The Buyer is only entitled to sell or further process the goods subject to retention of title in the ordinary course of business and under normal commercial conditions, provided, however, that it notifies its customer in writing of the existence of the retention of title when selling the goods. The Buyer shall not be entitled to make any other disposition of the goods, in particular to create a lien on the goods or to grant any other security for its own benefit or for the benefit of a third party.
3. In the event that the Buyer defaults in payment of the price of the goods, the Seller shall be entitled to call upon the Buyer to immediately deliver the goods. The Buyer is obliged to allow the Seller to take delivery of the goods and related documentation at the place of storage of the goods and to provide all necessary assistance. The Buyer shall bear all costs associated with the exercise of retention of title.
4. The Buyer is entitled to export the goods outside the territory of EU states, to further export the goods to the territory of another EU state, as well as to re-import the goods into the Czech Republic only with the prior written consent of the Seller.

In case of violation of these obligations by the Buyer, the Buyer is obliged to pay the Seller a contractual penalty in the amount corresponding to 20% of the price of the goods (excluding VAT) that were illegally exported outside the EU or to another EU country or re-imported into the Czech Republic. The contractual penalty is without prejudice to the

Seller's right to compensation for property damage.

VI. Force Majeure

1. In the event that during the course of the contractual relationship an extraordinary, unforeseeable and insurmountable obstacle arises independently of the will of one of the Parties, which has temporarily or permanently prevented one of the Parties from fulfilling its obligations under the Contract, the Parties undertake to inform each other in writing without undue delay of such obstacles as well as of their expected duration. Such obstacles shall be understood by the Contracting Parties to mean circumstances of force majeure, in particular strikes, war, other disturbances of a similar nature, commercial, monetary, political or other measures by the authorities, epidemics or pandemics, natural disasters such as fire, flood, earthquake, lightning, adverse weather conditions preventing or restricting the transport of goods, etc, as well as delays in the delivery of materials and components necessary for the production or assembly of the Goods not caused by the Seller, transport closures or delays, theft of the Goods in transit, breakdown of production equipment or parts thereof and similar events of force majeure, including a decision or instruction of a competent governmental authority, which restrict or prevent the performance of the contractual obligations. The Party affected by the force majeure event shall not be liable for any failure to perform its obligations under the Contract or for any delay incurred. However, the Party affected by a force majeure event shall take all such measures to minimise its effects on the performance of the Contract as may be reasonably required of it.
2. If the force majeure event lasts for a period not exceeding 30 calendar days, the Parties shall be obliged to fulfil their obligations under the Contract as soon as the force majeure has passed, with delivery deadlines and all other deadlines being postponed by the period of force majeure. If the force majeure lasts longer than 30 calendar days, either Party shall have the right to withdraw from the Contract.

VII. Rights arising from defective performance - claims

1. The Seller is obliged to deliver the subject of the Purchase Contract in the agreed quantity (weight), quality and design according to the technical specification specified in the Contract, technical conditions or other document agreed by the Parties. There shall be no defect in performance and the goods shall be deemed to have been duly delivered if the quantity (weight) or quality of the goods delivered corresponds to the permissible tolerance resulting from the Contract, the GTs, the Technical Conditions, applicable standards or other generally binding regulations.
2. The Buyer is obliged to inspect the goods and satisfy itself of their characteristics and quantity without undue delay after their receipt.
3. The Seller provides the Buyer with a guarantee for the quality of the goods for a period of 12 months from the date of delivery of the goods, unless a different length of the guarantee period follows from the Contract. The Seller shall not be liable for any defects in the Goods caused by wear and tear caused by normal use of the Goods or use of the Goods contrary to the purpose of the Contract or the documentation relating to the Goods.
4. The Buyer shall notify the Seller of any obvious defects in the Goods that could be detected during inspection upon receipt of the Goods without undue delay, not later than 15 days after receipt of the Goods. Other hidden defects of the goods, which could not be detected during inspection, the Buyer is obliged to notify the Seller immediately after their detection, but no later than the end of the agreed warranty period.
5. All claims for defects in the goods must be in writing and must contain identification data of the claimed delivery (Contract number, date of delivery of the goods, number of the transport document - bill of lading, melt number, invoice number, etc.), description of the defects found, with evidence of defects (photo documentation, results of laboratory tests, etc). The Buyer is obliged to allow the Seller access to the claimed goods in order to verify the validity of the claim and to send him a sample of the defective goods at the request of the Seller. A quantitative claim must be supported by a conclusive document (weighing slip) from a certified weighing scale of an entity independent of the

contracting parties. A quantity defect is not a deviation in the delivered volume within the range of +/-5%, unless a different quantity tolerance follows from the Contract.

6. The Buyer is obliged to ensure separate storage of the claimed goods until the day of settlement of the claim. The free disposal of the said goods, which would make the complaint procedure difficult or impossible, is not permitted without the prior consent of the Seller. If the Buyer breaches the above obligations and also does not allow the Seller to ascertain the existence of a defect or does not allow the Seller access to the goods, does not provide the Seller with samples of the claimed goods at the Seller's request, or does not deliver within the time limit set by the Seller in its opinion on the claim, sufficient documentation to enable the Seller to calculate a reasonable discount on the price of the goods, these facts are grounds for rejection of the claim and cause the loss of the Buyer's claim for defective performance.
7. The Seller shall, within 30 days of receipt of the claim, notify the Buyer in writing of its opinion on the claim. In this opinion, the Seller shall confirm to the Buyer the date of the exercise of the right of defective performance and, if the claim is settled by way of removal of the defect, the expected time within which the removal of the defect will take place. In the event of a justified complaint, the Seller is obliged, at its option, to provide a discount on the price of the goods or to carry out a new faultless performance under the originally agreed conditions or to remove the defects within the agreed period of time. The Seller shall notify the Buyer of the choice of claim when communicating its opinion on the claim.
8. Reklamacie vady zboží neopravňuje kupujícího pozastavit (zadržet) úhradu ceny zboží ani odmítnout převzetí další dodávky zboží.
9. In the event that the Buyer incurs damage as a result of a breach of any of the Seller's obligations under the Contract (e.g. as a result of defective performance), without there being force majeure circumstances excluding the Seller's liability, the Seller shall only be obliged to pay for the actual, demonstrably incurred property damage quantified by the Buyer, but not to pay for lost profits or other indirect damages. The Seller's liability for damages caused by breach of the Contract shall be agreed up to a maximum amount corresponding to 100% (one hundred percent) of the price of the goods, excluding VAT, agreed in the Contract.

VIII. Final provisions

1. All disputes that may arise out of or in connection with the Contract shall be settled by mutual agreement and amicably. If the Parties fail to agree on an amicable settlement of the dispute, the Arbitration Court of the Czech Chamber of Commerce and the Agrarian Chamber of the Czech Republic in Prague shall have final jurisdiction to decide the dispute in accordance with its Rules, with three arbitrators appointed in accordance with these Rules. The Parties undertake to fulfil all obligations imposed on them by the arbitral award within the time limits set out therein. The arbitral award delivered to both Parties shall be enforceable.
2. The arbitration clause under point 1 of this article of the General Terms and Conditions of delivery and sale does not apply if the Buyer under the Contract is an entity established in the Czech Republic. In this case, the general court of the Seller, whose local jurisdiction is determined by the address of the Seller's registered office, shall have jurisdiction to hear and decide the dispute.
3. If neither of the Contracting Parties has commenced performance of the Contract, either Contracting Party shall be entitled to cancel the Contract without giving any reason by paying a termination fee of 40% of the agreed price of the goods, excluding VAT, and by delivering a written notice of cancellation to the other Contracting Party.
4. The Buyer has assumed the risk of a change of circumstances after the conclusion of the Contract, for which it is not entitled to claim the rights referred to in Section 1765(1) of the Civil Code.
5. Legal relations arising out of or in connection with the Contract, as well as any other matters not addressed in the

Contract or these GTs, shall be governed by Czech law, in particular the provisions of Act No. 89/2012 Coll., the Civil Code, as amended.

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