

GENERAL TERMS AND CONDITIONS

(Purchase)

effective as of 1 September 2021

1. INTRODUCTORY PROVISIONS

- 1.1 The present General Terms and Conditions (hereinafter referred to as the "**GTCs**") of **STÁTNÍ TISKÁRNA CENIN, state enterprise**, with its registered office at Prague 1, Růžová 6, No. 943, postal code 110 00, ID No.: 00001279, registered in the Commercial Register maintained by the Municipal Court in Prague, Section ALX, File 296 (hereinafter referred to as "**STC**") define, in accordance with the provisions of Section 1751 of Act No. 89/2012 Coll., the Civil Code, as amended (hereinafter referred to as the "**Civil Code**"), the mutual rights and obligations of the contracting parties established in connection with or resulting from the purchase contract to be entered into between STC and other entities (hereinafter referred to as "**Supplier**") as Suppliers of goods, services or construction works (hereinafter jointly referred to as "**supplies**").
The present GTCs shall be applied to define the contractual relationships when they are referred to by a purchase order and/or respective contract.
- 1.2 The contract and/or purchase order may include provisions derogating from the GTCs. Any derogating provisions under the contract and/or purchase order shall prevail over the provisions of the present GTCs.
- 1.3 STC may amend or add to the wording of the GTCs. This provision shall be without prejudice to any rights and obligations adopted to apply during the effective period of the previous version of GTCs.

2. CONCLUSION OF THE CONTRACT

- 2.1. To order any item, STC shall fill in and dispatch a purchase order. Once sent, the order constitutes a draft purchase contract. An order must specifically contain:
- STC's identification data,
 - Supplier's identification data,
 - indication of the supplies, quantity and delivery date,
 - purchase price of the supplies including unit price and currency,
 - place of delivery, supplies or handover,
 - STC's and Supplier's bank details,
 - name and signature of STC's authorised representative and date of the filling in of the purchase order.
- 2.2. The contractual relationship between the Supplier and STC shall be deemed established upon delivery of the order acceptance notice sent to STC preferably by e-mail. The Supplier shall send the order acceptance notice as soon as possible, in any event within no more than 5 business days after receipt of the order. The respective purchase contract (hereinafter referred to as the "**order**" or "**contract**") shall be deemed concluded upon order acceptance.

By accepting the order, the Supplier confirms it read and understood the content of the present GTCs and expresses its express and unconditional approval of the GTCs. The GTCs constitute an integral part of the Contract. The Supplier further acknowledges that unless it expressly accepts an order, the Supplier shall be deemed to express its approval of the contents of the present GTCs by delivering the supplies according to the order.

An order acceptance notice that contains additions, reservations, limitations or other modifications shall be regarded as rejection of the order and constitute the Supplier's new draft of purchase contract. In such a case, the purchase contract shall only be concluded if STC confirms such a draft contract in writing and sends it back to the Supplier.

Should the Supplier reject an order, STC shall not be obliged to receive and/or accept any item or service delivered. With the refusal to receive the supplies, STC's obligation to pay the price expires, as does the obligation of the Supplier to deliver the goods to STC. In such a case, the Supplier shall not have any rights with regard to STC.

- 2.3. The parties agree to use means of remote communication when concluding any purchase contracts.

3. SUPPLIES

- 3.1. The Supplier must submit to STC any documents required for the supplies to be received and used, as well as any documents listed in the order, and allow STC to acquire the title to the supplies in compliance with the order (contract), the present GTCs and the relevant legal regulations. The documents shall be transferred at latest upon delivery of the supplies, unless stipulated otherwise in the order (contract).
- 3.2. The Supplier must keep STC duly informed regarding the scope, conditions and methods of exercising its rights under defects liability in respect of the supplies, including information on where the claim may be applied and on

the manner in which the warranty repair will be handled. This shall be without prejudice to Art. 6 of the present GTCs.

3.3. The risk of any damage to the item shall pass to STC on the day of the documented handover of the supplies by the Supplier.

3.4. STC shall acquire the title to the item upon handover and takeover.

4. PRICE OF THE SUPPLIES AND TERMS OF PAYMENT

4.1. STC shall pay to the Supplier the price specified in the order.

The contracting parties have agreed that the price constitutes the final and full price which cannot be exceeded. The price includes all costs to be incurred by the Supplier and necessary for the Subject of the Contract to be achieved, including all costs incurred by the Supplier in direct or indirect association with the supply of the supplies, unless the contract expressly stipulates otherwise.

4.2. Not applicable.

4.3. STC shall pay the price of the supplies to the Supplier on the basis of an invoice issued by the Supplier, by cashless transfer to the Supplier's account or by other manner agreed between the contracting parties (e.g. by payment in cash, by payment card).

4.4. STC shall not provide any advance or similar payments unless the parties expressly agree otherwise.

4.5. The invoice payment term shall be 30 (thirty) days from the date of issuance of a proper and complete invoice. The price shall be deemed paid once the amount is debited from STC's account. Supplier is entitled to issue and send the invoice to STC no sooner than after handover and delivery of invoiced supplies unless agreed otherwise in the order.

4.6. Each invoice must contain STC's order number, number of delivery note, acceptance protocol or any other similar certificate etc. and all data required by the relevant legal regulations.

4.7. Each invoice must be accompanied by a copy of the delivery note, acceptance protocol or any other similar certificate of the performed delivery confirmed by STC.

4.8. STC may return any invoice within its payment term if the same contains:
incorrect price data;
incorrect or incomplete essentials of the invoice
if any of the documents listed in par. 4.7 are not attached
If any of the above is the case, STC may return the invoice to the Supplier with a cover letter indicating the reason for the return. Once the invoice is sent back to the Supplier, the payment term shall be suspended, with a new payment term to start effective from the date of delivery of a revised or a new invoice.

4.9. Not applicable.

4.10. Not applicable.

4.11. Not applicable.

4.12. Not applicable

4.13. STC may unilaterally set off any of its receivables due that it has acquired through assignment against any receivables the Supplier may have under any order. The Supplier may not unilaterally set off its receivables resulting from any order or acquired in connection with the same against STC's receivables.

4.14. The Supplier may assign its receivables from STC resulting from an order or in connection with the same only with STC's express written consent.

4.15. The Supplier undertakes not to encumber in any way its receivables from STC resulting from an order or in connection with the same with any liens established in favour of third parties.

5. TRANSPORT AND DELIVERY/HANDOVER OF THE SUPPLIES

5.1. The Supplier must supply the goods to STC subject to DDP INCOTERMS 2020 to STC's site indicated in the order (hereinafter referred to as the "STC site").

- 5.2. The Supplier ensures the delivery of the goods to the site of STC on its own risk.
- 5.3. The Supplier undertakes to supply or hand over the supplies on the day indicated in the order or specified using the method set out in the order. Unless implied otherwise under the order, the period indicated for delivery of the goods shall start on the day the order takes effect. In the case of order is not subject to the obligation of publication in the Register of Contracts, the day the order takes effect is considered to be the day of acceptance of the order by the Supplier. In the case of order is subject to the obligation to be published in the Register of Contracts, the day the order takes effect is considered to be the day of publication of such an order in the Register of Contracts.
- 5.4. If the Supplier delivers or is ready to hand over the supplies before the time set in accordance with paragraph 5.3, STC may refuse the supplies.
- 5.5. The Supplier shall inform STC of the date of dispatch of the delivery at STC's e-mail address podatelna@stc.cz or at the e-mail address stated in the order of the date of dispatch of the delivery at least 3 (three) business days before the date of dispatch from the Supplier's plant; the Supplier shall further notify STC of the expected date of arrival at STC's address. The Supplier must inform STC without undue delay if it believes it will not be able to meet the indicated delivery time in order to address the situation. STC shall confirm this information to the Supplier.
- 5.6. The Supplier shall deliver or hand over the supplies on business days and during STC's regular working hours, i.e. from 6:00 a.m. to 2:00 p.m., unless stipulated otherwise by STC. Outside these hours, it is only possible to receive supplies following a previous agreement made over the phone between the Supplier and the STC representative indicated in the order. If the Supplier wishes to deliver or hand over supplies before 6:00 a.m., the requirement must be applied on the previous working day at the latest by noon, and if the Supplier wishes to deliver or hand over supplies after 2:00 p.m., the requirement must be applied on each working day at the latest by 1:30 p.m. Unannounced deliveries arriving after 2:00 p.m. will not be cleared on the arrival day.
- 5.7. Delivery or handover of the supplies shall be deemed completed after the supplies are officially handed over to an STC representative authorised to take the supplies over, namely by the said representative confirming the delivery note or similar certificate. The following must be indicated in the delivery note (similar certificate):
- a) the exact designation of the Supplier and STC (registered office, ID No.);
 - b) delivery note number and date of issue;
 - c) order number;
 - d) indication of the supplies, including the quantity or other specification thereof.
- The above stated shall not apply in case that such a handover is technically impossible to ensure. In such a case, delivery or handover is deemed to be effective upon the passing of the right to dispose with the supplies to STC.

6. DEFECTIVE SUPPLIES CLAIMS, QUALITY WARRANTY

- 6.1. The rights and obligations of the contracting parties regarding claims for defective supplies shall be governed by the relevant generally applicable legal regulations unless their application is expressly ruled out under any provision of the present GTCs or of the order.
- 6.2. The Supplier shall be liable for all defects apparent in the supplies at the time of the documented handover of the supplies as well as for all defects occurred during the warranty period. The Supplier shall also be responsible for any defects to the supplies that only occur after the supplies are delivered as long as the defects have occurred as a result of the Supplier breaching any of its obligations.
- 6.3. The Supplier is responsible for ensuring to STC that the goods are free from any defects at the time of the takeover. More specifically, the Supplier shall be responsible for ensuring to STC that at the time of STC's receipt of the goods:
- a) the supplies have the properties and meet the technical specifications agreed upon between the parties and, in the absence of applicable provisions, exhibit the properties described by the Supplier or manufacturer, or expected by STC;
 - b) the goods are fit for the purpose determined by the Supplier, or for such a purpose that this type of goods is usually expected to serve,
 - c) the supplies correspond with their quality or workmanship to the agreed-upon sample or model where quality or workmanship are defined using an agreed-upon sample or model,
 - d) the supplies delivered are in the adequate quantity, degree or mass, and that they comply with the requirements of the relevant legal regulations and are not encumbered by any third party rights, especially with any copyrights or other third party intellectual or industrial property rights, which could limit STC in its right to use the goods.
- 6.4. The Supplier shall provide STC with a quality warranty covering the supplies delivered. The Supplier shall guarantee in the quality warranty that the supplies will remain fit for the usual purpose during the specified period of time or

that they will retain their usual properties. The warranty period is twenty-four (24) months from the date of the documented handover of the goods unless the nature of the supplies implies otherwise or unless the order states otherwise. If the Supplier specifies a longer warranty period in the documents or on the packaging, the longer warranty period applies. The warranty period starts on the day following the documented handover of the goods. The warranty period shall be deemed suspended during any periods where STC will be unable to use the supplies due to defects covered by the Supplier's warranty.

6.5 Any defect claims in respect of the supplies (including defects covered by the quality warranty) shall be resolved:

- a) by delivery of any missing quantity;
- b) by replacing any defective quantity with defect-free goods;
- c) by a discount from or a refund of the purchase price;

The specific resolution method is at STC's discretion.

Any claim must be resolved within 15 (fifteen) calendar days of the date of its demonstrable application. The costs of resolving justified claims shall be borne by the Supplier. For claims resolved by deliveries of defect-free goods, the replacement goods shall be delivered within an alternative time limit set by the contracting parties to no more than 15 (fifteen) calendar days from acknowledgement of the claim as justified.

6.6 For claims resolved by financial compensation, the Supplier shall issue a corrective invoice (credit note) by the date on which the claim is declared as justified. The payment term of the invoice (credit note) amounts to 30 (thirty) days from the date of its issue.

6.7 Any defect claims in respect of the supplies shall be without prejudice to entitlement to damage compensation or to a contractual penalty, as the case may be.

7. PROTECTION OF CONFIDENTIAL INFORMATION

7.1 All information relevant to any deliveries of supplies and to the cooperation between the parties, which is not required to be published or otherwise disclosed publicly or to administrative authorities under the legal system of the Czech Republic, shall be deemed confidential by the Supplier (hereinafter referred to as "confidential information"). Information that is publicly available or publicly known shall not be regarded as confidential information. Without STC's prior written consent, the Supplier must not use the confidential information for other purposes than those related to the supply of goods to STC and the meeting of its obligations under the contract. The confidentiality obligation under the contract shall continue to apply for five (5) years from the conclusion of the contract.

8. OTHER RIGHTS AND OBLIGATIONS OF THE CONTRACTING PARTIES

8.1 If the Supplier is in delay with meeting the time limit under Art. 5 Par. 5.3, and/or that under Art. 6 Par. 6.5 of the GTCs, STC shall become entitled to a contractual penalty equivalent to 0.05 % of the price of the non-supplied or claimed supplies for each begun day of the delay.

8.2 If STC is in delay with paying the price, the Supplier shall become entitled to interest on late payment equivalent to 0.05 % of owed amount for each begun day of the default.

8.3 If the Supplier sets off, assigns or pledges its receivables from STC resulting from an order in contradiction with the provisions of the GTCs, the Supplier shall pay a contractual penalty to STC equivalent to 10 % of the value of the receivables that have thus been set off, assigned or pledged.

8.4 Payment of the contractual penalty referred to under Par. 8.1 does not relieve the Supplier from its obligations to meet the order. The contractual penalty negotiated under Par. 8.1 and Par. 8.3 is without prejudice to STC's claim to compensation of any harm caused regardless of the negotiated amount of the contractual penalty.

8.5 The contractual penalty under Par. 8.1 and 8.3 is due within 30 (thirty) days of delivery of STC's invoice to the Supplier for the payment of the contractual penalty.

8.6 The default interest pursuant to Par. 8.2 is due within 30 (thirty) days of delivery of the Supplier's invoice to STC indicating the payable default interest.

9. WITHDRAWAL FROM THE CONTRACT

9.1 STC may withdraw from the contract if:

- a) the price of the supplies increases before they are delivered or handed to STC;
- b) the Supplier has breached the obligations laid down under Art. 6, and/or
- c) the Supplier's delay with any deliveries is longer than 14 (fourteen) calendar days after the set delivery deadline; and/or

d) in the event any other reason stipulated in the applicable legal regulations or in this GTCs applies.

9.2. The contract shall terminate by withdrawal on the day on which the written notice of withdrawal is delivered to the Supplier, with termination taking effect on the date of delivery of the notice of withdrawal.

9.3. Where an indefinite-term contract has been concluded, STC may terminate it without stating the cause, subject to a notice period of three (3) months, starting on the first day of the calendar month following the month during which the notice was delivered to the Supplier.

10. FINAL PROVISIONS

10.1. The contract shall be governed by Czech Law, especially the Civil Code, even when the Supplier is a foreign entity. Application of the Vienna Convention on the International Sale of Goods (Ministry of Foreign Affairs Communication No. 160/1991 Coll., concerning the negotiation of the UN Convention on Contracts for the International Sale of Goods) to the purchase contract and the present GTCs is hereby excluded.

10.2. The Supplier may not assign its rights or transfer its obligations under the contract without STC's prior written consent. STC may transfer all its rights and obligations under the contract or the contract itself to any other party, even without the Supplier's consent. In case the contract is assigned, the contracting parties rule out the Supplier's right under Section 1899 of the Civil Code. The assignment of the present contract or any part thereof by the Supplier shall take effect with regard to STC on the effective day of STC's issued written consent with such an assignment. The assignment of the contract or any of its parts shall take effect with regard to the Supplier as soon as the assignment is communicated to the Supplier.

10.3. In the event any disputes arise between STC and the Supplier, the contracting parties undertake to attempt initially to resolve such disputes amicably. If that proves impossible, the matter shall be referred to the court in the Czech Republic having the respective jurisdiction at the place of STC's registered office for resolution under the laws of the Czech Republic.

10.4. The Supplier is aware that STC is a contracting party referred to in the provision of Section 2 paragraph 1 of Act No. 340/2015 Coll., on special conditions for the effectiveness of some contracts, the disclosure of these contracts and the register of contracts, as amended (act on the register of contracts), and that the contract therefore may be subject to mandatory disclosure in the register of contracts. STC shall ensure all acts related to the disclosure of the contract in the register of contracts unless the contracting parties agree otherwise.

10.5. The Supplier acknowledges that the publication of the contract under the previous paragraph also fulfils the obligation to disclose the necessary information and documents relating to the contract on the profile of the contracting authority pursuant to Section 219 of Act No. 134/2016 Coll., On Public Procurement, as amended.

10.6. STC and the Supplier always undertake to strictly protect business secrets of the other contracting party; in connection therewith, they also undertake to convey, upon request to the other contracting party, what they consider as their business secret.