

Contract of Purchase
No. 2218/40045

Buyer:

Name: Vojenský technický ústav, s.p., branch VTÚVM
Place of Business: Dlouhá 300, 763 21 Slavičín, Czech Republic
Authorized to represent the company: Stanislav Hudecek, VTÚVM Branch Director
Registered in: Companies Register kept at Municipal Court in Prague, section A, Enclosure No.: 75859
Reg. No./ VAT No.: 242 72 523/ CZ24272523
Bank connection: Komerční banka, a.s.
Account No.: 123-5047000297/0100
 IBAN CZ20 0100 0001 2350 4700 0297
 BIC (SWIFT): KOMB CZ PPXXX

Authorized to represent the company:

in contractual matters:

in technical matters:

point of contact:

(hereinafter referred to as the "Buyer")

Seller:

Name: KAGO Kaufmann & Gottwald Zelluloid und Plastikwarenfabrik GesmbH
Place of Business: Perfektastrasse 61/Obj. 4, AT-1230 Vienna, Austria
Authorized to represent the company: Dr. Alexander Gottwald, Managing Director
Registered in: 114512a Österreichisches Firmenbuch
Reg. No./ VAT No.: 114512a/ ATU 14216409
Bank connection: Bank für Tirol und Vorarlberg AG, Stadtforum, A-6020 Innsbruck
 IBAN: AT391630000130139167
 SWIFT: BTVAAT22

Contact persons:

in contractual matters:

in technical matters:

(hereinafter referred to as the "Seller")

The Seller and the Buyer collectively referred to as the „Contracting parties" or separately as the „ Party", have agreed to enter into this Contract of Purchase.

1. SUBJECT OF THE CONTRACT

- 1.1 The Seller undertakes to deliver to the Buyer under the conditions of this Contract of Purchase **25 000 each of the "Container 60 mm [REDACTED]"** in accordance with Annex 1 hereto (hereinafter referred to as "Goods").
- 1.2 The Seller hereby undertakes to hand over the Goods to the Buyer, including requested accompanying documents for the Goods, and shall allow the Buyer to take title to the Goods. The Buyer undertakes to accept the Goods and settle the purchase price pursuant to clause 3 and under the conditions agreed herein.
- 1.3 The Goods will be manufactured in 2022 and unused.

2. STATEMENT OF THE PARTIES

- 2.1 The Seller declares he is an exclusive owner of the Goods and the Goods are not encumbered by any third party rights that would prevent the transfer of ownership right to the Buyer or an exclusive use of the Goods by the Buyer. The Buyer shall not accept any defects of the Goods.
- 2.2 Both Contracting parties undertake to inform the other Party immediately about the facts that preclude or impose significant limitation on the performance of this Contract or contractual liabilities of both Parties. The Party incurring such circumstances undertakes to propose a method of solution acceptable for both parties.
- 2.3 All requirements of this contract of purchase may be subject to the Government Quality Assurance ("GQA") pursuant to the Act No. 309/2000 Coll., on Defence Standardisation, Codification and Government Quality Assurance of National Defence Products and Services. The Seller shall be notified of any and all GQA activities performed.

3. PURCHASE PRICE AND PAYMENT CONDITION

- 3.1 The Contracting parties have agreed upon the purchase price of the Goods in the amount of **EUR 2,81** excl. VAT per unit (hereinafter referred to as the "purchase price"), the total purchase price for **25 000 pcs of the Container 60 mm [REDACTED]** is EUR 70.250,- (*Seventy thousand-two hundred and fifty Euro*) excl. VAT (hereinafter referred to as the "total purchase price").
- 3.2 The above-mentioned price has been agreed DAP Vojenský technický ústav, s.p., branch VTUVM, Dlouhá 300, 763 21 Slavice, Czech Republic, according to INCOTERMS 2020. The above-mentioned price is final and effective for the entire term of the contract covering all costs incurred to the Seller in relation with the performance of contractual liabilities, including packaging and transportation costs to the place of hand-over.
- 3.3 The Seller shall provide the Invoice to the Buyer in duplicate. The invoice must include the contract number and specification of the delivered Goods (name, designation, quantity, unit price, total price), a reference to the respective provision of law of the Seller's country, provisions of the European Union directives or other wording stating the performance of the contract is exempted from taxation, if exempted. The Seller shall issue a tax invoice on the date of dispatch of the Goods to the Buyer with due date [REDACTED] net from the date of Invoice issue without any deductions. The

Buyer is obligated to check whether the Invoice is complete with all requirements as to invoices at the moment of its receipt by e-mail.

- 3.4 In case the invoice shall not meet the requirements stipulated herein the Buyer is entitled to return the invoice to the Seller for amendment/correction within the due date of the invoice, without being in default with the payment. The due date of the invoice will be extended by the period necessary to amend/correct the Invoice by the Seller.
- 3.5 The purchase price shall be deemed settled the moment the funds are received on the Seller's bank account.

4. DELIVERY TERMS

- 4.1 The Seller undertakes to deliver the Goods in the quantity of 25 000 pcs not later than by **2. 12. 2022**.
- 4.2 Term of delivery is DAP Vojenský technický ústav, s.p., branch VTUVM, Dlouha 300, 763 21 Slavcín, Czech Republic, according to INCOTERMS 2020.
- 4.3 The Seller undertakes to provide the Goods with accompanying documents necessary for the hand-over and use of the Goods, all in English language.
- 4.4 The following documents shall be delivered by the Seller to the Buyer with the Goods/partial delivery:
- Certificate of Conformity
 - Delivery note.
- 4.5 The Goods are delivered to the Buyer by the use of a Forwarding agent. The moment the Goods are handed over to the Buyer by the Forwarding agent, the proof of delivery is recorded by the Buyer's signature on the Forwarding agent's delivery document. The date of the Buyer's signature on the Forwarding agent's delivery document is deemed as the date of the Goods delivery.
- 4.6 The Buyer is entitled to reject the Goods in case the Goods shall not meet the Product Specification as agreed in Annex No. 1 hereto.
- 4.7 Risk of occurrence of damage, accidental destruction and accidental deterioration of the Goods shall be transferred from the Seller to the Buyer immediately upon hand-over of the Goods to the Buyer at the place of destination.
- 4.8 The Buyer has right to use the Goods from the moment of its hand-over.

5. WARRANTY AND DEFECTS OF THE GOODS

- 5.1 The Seller undertakes to grant quality guarantee to the Buyer covering functionality, performance and quality of the Goods (hereinafter referred to as the "warranty"). The warranty period shall be [REDACTED] from the date of receipt of the Goods at the Buyer's place (delivery date). If Goods then are not used/filled immediately they have to be stored dry storage facility, ventilated, temperatures between 10°C – 30°C by the Buyer.
- 5.2 The Buyer is entitled to claim quantity or quality defects of the goods observed after their handover to the Seller in writing (electronically). The Seller shall confirm whether he accepts or rejects the claim in writing (electronically) within 10 working days and may request a visit of his representatives or representatives of an independent Quality Agency at Buyer's site in order to perform inspection. The Buyer shall facilitate and attend such inspection. In the event the Seller

shall not provide his written confirmation (electronically) within 10 working days, the claim shall be deemed to have been accepted.

- 5.3 In the event of a justified claim the Seller shall repair or replace the defective product that is under warranty period within 30 days from the date of Buyer's notification.

6. LIABILITY FOR DAMAGE

- 6.1 The Parties shall be liable for any incurred damage in accordance with an applicable law, unless otherwise stipulated herein. The Contracting parties undertake to make the maximum effort to prevent damages and to minimize incurred damages.

7. CONTRACTUAL PENALTIES AND LATE PAYMENT INTEREST

- 7.1 In the event the Seller is in delay with delivery of the Goods, the Buyer is entitled to charge the Seller a contractual penalty amounting [REDACTED] of the purchase price of the undelivered Goods for each day of delay.
- 7.2 In the event the Buyer is in delay with the Invoice payment by more than 5 days, the Seller is entitled to charge the Buyer a contractual late interest amounting [REDACTED] of the due amount for each day of delay with Invoice payment.
- 7.3 In the event of delay with in-warranty remedy of the defected goods, the Buyer is entitled to charge the Seller a contractual penalty of [REDACTED] of the price of the Goods for each day of delay in defect remedy that was notified in accordance with par 5.3 above.
- 7.4 The due date of the contractual penalty is [REDACTED] from the date of delivery of a written demand for payment.
- 7.5 Settlement of the contractual penalty shall not affect any claim for damage nor statutory default interests. Settlement of the contractual penalty shall not cease the liability under the contractual penalty terms.
- 7.6 The contractual penalty shall be settled by the liable Party, regardless of whether and to what extent the damage occurred to the other Party in this respect. Compensation for damage may be claimed separately in addition to contractual penalty in full amount.
- 7.7 The Buyer (Vojensky technicky ustav, s.p.) has right to set off all claims, especially costs, damages caused by the other Party a/or contractual penalties against any claim of the Seller.

8. CHANGES AND DISCHARGE OF THE CONTRACT

- 8.1 This Contract may be changed or amended only by written, mutually agreed, sequentially numbered amendments which become integral parts hereof.
- 8.2 The Contract terminates in the event of:
- a written agreement between the Contracting parties;
 - a withdrawal from the contract in case of delay in delivery by more than 30 days,
 - a withdrawal from the contract in case of delayed payment by more than 30 days.
- 8.3 The contract withdrawal must be in writing and becomes effective on the date of notifying the other Party. The withdrawing Party is liable to set grounds for contract withdrawal in the notification.

- 8.4 The contract withdrawal by the Buyer shall not affect any other rights under the contract including but not limited to payment of contractual penalties and damages.

9. FINAL PROVISIONS

- 9.1 Concerning the matters not regulated by this Contract, the contracting parties shall follow the provision of the Czech law, and based on the mutual consensus the Contracting parties explicitly exclude application of the Vienna Convention to their contractual relationship.
- 9.2 Any disputes arising from or in connection with the present Contract of purchase shall be settled through amicable negotiations. Any disputes that cannot be settled through amicable negotiations shall be finally settled in accordance with the Czech law.
- 9.3 The Seller understands Buyer's obligation to make the contract public in accordance with Act no. 340/2015 Coll. on special requirements for the effectiveness of certain contracts, to make these contracts public and on contract register (Act on contracts register) as a legal person stipulated in § 2, par. 1, letter k) of Act on contracts register and agrees to make the wording of this contract of purchase public in the contracts register, except for drawings showing the parts and description of material mix which he explicitly specifies his business secret, as a consequence of which the Buyer is obligated to exclude this part of the contract from its publication.
- 9.4 This Contract of purchase becomes effective on the date of its publication in the Contracts Register.
- 9.5 Drawing no. KAGO VTUVM Cont 60 mm [REDACTED] forms an integral part hereto as Annex 1.
- 9.6 The Contract has been executed in two counterparts, one original for each Party.
- 9.7 The Contracting parties declare that the content hereof is clear and comprehensible to them and expresses their free will in witness whereof they set their hands.

Slavičín, date and seal: 01. 07. 2022

