CONTRACT OF SALE

**(pursuant to S 2079 and the following of Act 89/2012 Sb., the Civil Code, as amended (hereinafter the “CC”))**

Contractual Parties:

1. **Technická univerzita v Liberci**

Registered office: Studentská 1402/2, 461 17 Liberec

Reg. No.: 46747885

Tax ID No.: CZ46747885

Bank details: XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Account number: XXXXXXXXXXXXXX

Represented by: doc. Ing. Vladimír Bajzík, Ph.D., Dean

Person responsible for the contractual relation: XXXXXXXXXXXXXXXXXXXXXXXX

 Internal contract number: S/FT/4290/2024/26

(hereinafter the “**Buyer**”)

and

1. Name/Company: TECONE CO., LTD.

Registered office: Nu161-4, Hama-Machi, Nomi-Shi, Ishikawa 929-0124, Japan

 Reg. No.: 72200010128170000

 Bank details: XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

 XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Account number: XXXXXXX

Represented by: XXXXXXXXXXXXXXXXXXXXXX

(hereinafter the “**Seller**”)

enter into the following Contract of Sale (hereinafter the “**Contract**”):

1. **Subject-matter of the Contract**
2. The subject-matter of the Contract is Seller’s obligation to surrender to Buyer the item which is the subject of the purchase, thus enabling Buyer to acquire the title thereto, and Buyer’s obligation to take over the item and pay Seller the purchase price. The subject of the purchase is two-layer laminate (2L(SGX-β 10micron white+7d NY tricot)), 1600m.

 (hereinafter the “Subject-matter or item”).

1. The Subject-matter is purchased with the following purpose: Research and Development.
2. Buyer acquires the title to the item at receiving the item and signing the document that proves the delivery and acceptance thereof (hereinafter the “Handover Certificate”).
3. For the purpose hereof, delivery shall be Seller’s delivering of the item to the place of performance in accordance with the Contract, and the surrender of the item to Buyer.
4. **Purchase Price and Payment Terms**
5. The purchase price for the item is 525 JPY/m (FOB Japan) exclusive of VAT. The purchase price shall be agreed as fixed and unchangeable. VAT shall be charged in accordance with effective legislation.
6. Furthermore, the purchase price includes: preparation of the item to transport and handover to carrier. Transport will be provided by Buyer.
7. The payment of the purchase price hereunder shall be made by Buyer on the basis of an invoice issued by Seller. The invoice shall be issued after proper acceptance of the item by Buyer. Maturity is agreed for seven (7) calendar days from the date of the delivery of the invoice to Buyer.
8. The invoice shall be delivered to Buyer in two counterparts to enable Buyer to fulfil their obligation of proving all eligible expenses to the inspecting authority. The invoice shall comply with all the requirements of an accountable receipt in accordance with Act 563/1991 Sb., on Accounting, as amended, the requirements under S 435 of the CC, and if Seller is a VAT payer, even with the requirements of a tax document under Act 235/2004 Sb., on Value Added Tax, as amended.
9. If the invoice fails to comply with appropriate details or contains incorrect information, Buyer shall be entitled to return it within the due date to Seller for correction or issuance of a new invoice without the danger of paying the purchase price in arrears. The due date begins anew from the repeated delivery of a duly corrected or newly issued invoice.
10. The Seller is obliged to ensure the proper and timely fulfillment of financial obligations to its subcontractors. Proper and timely fulfillment is considered full payment of invoices issued by the subcontractor for performance provided to the Seller to perform obligations arising from this Contract, always no later than 15 days from receipt of payment by the Buyer for a specific performance (unless the due date of invoice issued by the subcontractor has occurred before). The Seller undertakes to transfer the same obligation to other levels of the supply chain and to oblige its subcontractors to fulfill and transfer this obligation also to lower levels of the supply chain. The Buyer is entitled to request the submission of documents on payments made to subcontractors and contracts concluded between the Seller and subcontractors.
11. **Deadline for Performance**

Seller undertakes to make arrangements for shipment ready of item within 30 days from the effective date of this agreement.

1. **Place of Performance, Delivery**
2. Seller shall be obliged to deliver the item to the place of performance where it shall be taken over by carrier: Nu161-4, Hama-Machi, Nomi-Shi, Ishikavwa 929-0124, Japan.
3. Simultaneously, Seller is obliged to provide Buyer with relevant technical documentation, operating instructions, or other documents and materials necessary for the use of the item.
4. The risk of damage to the item shall pass to Buyer at the time of taking over and checking the item by Buyer.
5. **Confirming of Contractual Parties’ Obligations**
6. If Buyer gets into arrears with the payment of the purchase price, they shall be obliged to pay Seller a contractual penalty of 0.05 per cent of the purchase price, exclusive of VAT, for the item for each day of delay.
7. If Seller fails to meet the deadline for the elimination of defects stipulated herein, they shall be obliged to pay Buyer a contractual penalty of 0.5 per cent of the purchase price, exclusive of VAT, for the item for each day of delaying the elimination of defects.
8. Buyer shall be entitled to offset the contractual penalty by any financial performance provided to Seller, even with regard to another business case.
9. The legitimacy of the claim to the contractual penalty shall not be conditioned by any formal acts by the entitled contractual party. The contractual penalty provision shall not remove the commitment from the obligated contractual party to fulfil the obligation(s) stipulated herein, and moreover, the contractual penalty provision shall not affect the right to damages; the parties hereto thus exclude the application of S 2050 of the CC.
10. The obligated party hereto shall be allowed to pay the contractual penalty on the basis of a penalty invoice issued by the entitled contractual party.
11. **Quality Guarantee**
12. The item has defects if it fails to comply with the Subject-matter hereof, the purpose of use, or if it fails to have the properties explicitly agreed herein, the usual properties, or those specified in technical standards.
13. Seller shall provide Buyer with a guarantee for the quality of the item over the warranty period of TO BE COMPLETED AS REQUIRED, e.g. 12 months from the date of taking over and checking the item by Buyer. Seller shall be responsible for defects that occur on the item during the warranty period. Warranty period shall not run for a period during which Buyer could not use the item due to defects the responsibility of which falls upon Seller.
14. Buyer shall be obliged to notify Seller of the detected defect in writing (complaint) and without undue delay. A written form shall also be an e-mail with the notification and description of the defect, sent to the following address: XXXXXXXXXXXXXXXXXX
15. At their discretion, Buyer shall exercise their possible rights from defects of the item in accordance with S 2106 and S 2107 of the CC, wherefore the parties hereto agree that the choice of right always belongs to Buyer.
16. If Buyer chooses the right to remove the defect, the time-limit to remove it during the warranty period shall not be longer than 30 calendar days.
17. The removal of defects, reduction of the purchase price, or withdrawal from the Contract shall not affect Buyer’s right to a contractual penalty and damages.
18. In case of the delivery of a new item or a part thereof, Seller undertakes to disassemble the defective item, provide its removal and (ecological) disposal, and to install a perfect replacement.
19. **Liability for Damage**
20. Seller shall be responsible for any damage caused by the breach of the obligation hereof irrespective of fault with the possibility of liberation as stipulated by S 2913 (2) of the CC. Any loss caused to Buyer who had to invest due to Seller’s breach of duty shall also be considered to be damage.
21. Buyer allows no limitation of proven damage that arises in connection with the performance from the Contract, nor any restriction of sanctions or contractual penalties agreed herein.
22. **Withdrawal from the Contract**
23. This Contract can be withdrawn from by either party if the other party materially breaches their contractual obligations.

A material breach of the Contract shall be, in particular, the following:

* Seller’s delay with the delivery of the item for a period not shorter than twenty-one (21) calendar days from the deadline for the performance hereunder,
* the fact that technical parameters of the item fail to correspond to the requirements agreed herein or to technical standards,
* failure to eliminate the defects according to the Quality Guarantee hereinabove,
* Buyer’s delay in paying the purchase price for a period not shorter than twenty-one (21) days from the due date of a lawfully and correctly issued invoice.
1. If Buyer sets an additional period for Seller to fulfil their obligation, Buyer shall only have the right to withdraw from the Contract after the lapse of such time; this shall not apply if, during this period, Seller declares that they will not fulfil their obligation. In such a case, Buyer shall be entitled to withdraw from the Contract after receiving Seller’s declaration, even before the expiry of the additional period.
2. The Contract shall expire on the day when the withdrawal from the Contract is delivered to the other party.
3. Any premature termination of the Contract shall not affect the right to damages caused by the breach of the Contract or the right to the contractual penalty.
4. **Final Arrangements**
5. The Contract reflects free and serious expression of the will of the contractual parties. The parties hereto declare that any rights and obligations not regulated hereby as well as the rights and obligations arising herefrom shall be resolved in accordance with the applicable provisions of the CC.
6. The Seller is obliged to ensure the legal employment of persons in the performance of the contract. The Seller is also obliged to ensure fair and decent working conditions for employees participating in the performance of the contract. Fair and decent working conditions are those working conditions that meet at least the minimum standards laid down by labor and wage regulations. The Seller is obliged to ensure that the requirements of this contract provision are met by its subcontractors. Failure to fulfill the Seller's obligations under this contract provision is considered a material breach of contract.
7. The Seller declares that in connection with the performance of the contract will try to minimize the impact on the environment, respect the sustainability or possibilities of the circular economy and, if possible and appropriate, will implement new or substantially improved products, services or procedures; the Seller will also require this obligation from its subcontractors.
8. The rights and obligations arising from the Contract shall pass to any legal successors of the parties hereto. The rights and obligations from the Contract shall only be transferred with the written consent of the other party.
9. The Contract is concluded electronically. If it is concluded in writing, the Contract is made out in two counterparts with the validity and binding quality of the original, of which each party hereto shall obtain one.
10. Any amendments to this Contract may only be made by written amendments signed by both parties hereto.
11. This Contract shall enter into force as of the date of being signed by the authorized representatives of the parties hereto, or as of the date of being signed by the authorized representative of the party which signs the Contract at a later date. The Contract shall become effective as of the date of its publication in the Register of Contracts. Performance of the Subject-matter hereof before the effectiveness of the Contract shall be considered performance hereunder wherefore the rights and obligations arising from the Contract shall be governed hereby. The Contract shall be published by the Technical University of Liberec (“TUL”) in accordance with Act 340/2015 Sb. (on the Register of Contracts) in the Register of Contracts, to which both parties express their consent. In this context, the parties hereto shall be obliged to mark those data in the Contract which are subject to anonymization and, within the meaning of the Act on the Register of Contracts, shall not be published. TUL shall not be responsible for the publication of any unmarked data.
12. If any provisions hereof become invalid, ineffective, or unfeasible, the validity, effectiveness, or feasibility of the other provisions herein shall remain unaffected; the parties hereto undertake to replace the void, ineffective, or unfeasible provision herein with the provision the content of which best corresponds to the original one.
13. All disputes between the parties hereto arising from or related to the provisions herein shall initially be settled amicably in a mutual agreement. If no amicable settlement is reached, either party hereto shall have the right to refer the disputed matter to the court having local jurisdiction. In accordance with S 89a of Act 99/1963 Sb., the Rules of Civil Procedure, as amended, Buyer’s court of general jurisdiction shall be the court having local jurisdiction to hear disputes arising herefrom.
14. The parties hereto declare that they have read the contents hereof and set their hands hereunder to assert their consent.

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| Seller’s stamp and signature………………………………………….XXXXXXXXXXX    In Tecone on this 20.3.2024 | Buyer’s stamp and signature……………………………………………doc. Ing. Vladimír Bajzík, Ph.D., DeanIn Liberec on this 26.3.2024 |