

STANDARD PURCHASE TERMS AND CONDITIONS

ATEK s.r.o. registered in the Commercial Register under the Regional Court in Hradec Králové, Czech Republic, Section C, File 19563

Place of business at Svitavská 1599/66, Předměstí, Moravská Třebová, Czech Republic, 571 01, IČ: 26004968

Article 1

Subject of Standard Purchase Terms and Conditions

1.1 These Standard Purchase Terms and Conditions (hereinafter referred to as the "Conditions") define rights and duties of the Contracting Parties (hereinafter referred to as the "Buyer" and the „Seller“ or ATEK s.r.o.) to establish business and legal relationship with the purpose to conclude individual Supply Contract in which the Seller provides the subject matter to be sold and the Buyer accepts the subject matter to be purchased so as to become its exclusive owner.

1.2 All contractual relationships where ATEK s.r.o. acts on the Buyer's side are governed by these Conditions, unless a specific Supply Contract or General Purchase Contract is concluded, or unless expressly agreed otherwise between the parties. The Seller declares the Supply Contract is agreed pursuant these Conditions, save for provisions expressly agreed in Supply Contract concluded between the Parties in accordance with these Conditions. Any changes, amendments or exceptions to these Conditions are considered a counter-offer, which has to be expressly, unequivocally and unconditionally accepted by the Seller in the Confirmation.

1.3 The Seller is obliged to deliver the duly ordered subject matter (hereinafter referred to as the "Goods") to the Buyer and the Buyer is obliged to pay the purchase price of delivered Goods duly and on time to the Seller. The Seller is aware that time and quality is of the essence with delivery of the Goods. Based on the Sale contract, the Seller undertakes to supply the Products specified in the written purchase Order and the Buyer is obliged to take over the Products at the place and in the time agreed in the Sale contract and to pay the agreed purchase price.

1.4 The Seller takes into account that the Goods are or may be intended for production in the automotive industry, and any delay in delivery or failure to meet the quality of the goods may cause the suspension of the production line of passenger cars and thus cause damage worth millions of Czech crowns.

Article 2

Supply Contract

2.1 To conclude Supply Contract the Buyer shall submit a purchase order in writing (sub-purchase contract - draft of a specific purchase contract) in which the type of goods, the quantity, the price and the required delivery date is specified. The order in writing may be submitted via e-mail sent from the e-mail with domain @atek.cz .

2.2 The Seller shall accept the purchase order within 2 working days from the date of its submission. If the purchased order submitted by the Buyer is not contradicted within this time limit, it is considered as accepted by the Seller. The sub-purchase contract is concluded if confirmed by the Seller or if the order has not been accepted within the time limit.

2.3 The Contracting Parties acknowledge to be bound by the agreed / concluded purchase contracts, while the so-called forecasts are only a declaratory and indicative tool for the Seller to have an idea of the expected demand from the Buyer in the future to be prepared to deliver the goods.

2.4 The process of Ordering shall be performed exclusively in line with these Conditions. Other terms and conditions of the Seller are non-binding for the Buyer, even if the Buyer does not expressly disagree with them. They also do not apply afterwards, even if they are part of the Seller's purchase order confirmation or in the subsequent confirmation of the Seller in writing and the Buyer has not expressed disagreement with such a confirmation – the Buyer's inactivity in this matter means rejection. In an individual case, it may be agreed to accept the Seller's terms of sale, provided that they do not contradict the following articles.

2.4.1 The Buyer is entitled, but not obliged, to cancel purchase order if it was not accepted by Seller in writing in 1 week period of time.

2.4.2 Changes and additional requirements to the order, especially to the subject of delivery, require to be submitted by Buyer in writing. Changes and additional requirements to the order, which are common in the industry, do not entitle the Seller to withdraw from the contract. In the case of tools, this can mean, for example, that a modified tool has to be made. Adequate capacity must be taken into account.

2.4.3 In the case of purchase order submitted not in writing or if preliminary purchase order is submitted, the contract shall be binding to this extent only if the purchase order is final and submitted by Buyer to Seller in writing.

2.5.4 Early or partial delivery is performed only with prior written consent of Buyer. At its discretion, Buyer is entitled to reject the goods. Storage of goods delivered prematurely or goods that exceed the ordered quantity is at the expense and risk of Seller. Seller is liable for the risk of accidental destruction of the goods or accidental damage to the goods after Buyer rejects the goods.

Article 3

Delivery times

3.1 Delivery times and delivery scheduling specified in purchase order is strictly binding. It specifies the time when the goods shall be delivered to Buyer or a service shall be performed.

3.2 In case of delay, Buyer is entitled, in addition to its other rights, to organize faster transport and to claim compensation for the relevant costs.

3.3 Furthermore, in case of delay in delivery, Buyer is entitled to claim compensation from Seller for all costs incurred by Buyer or its customers due to such a delay, or Buyer is entitled to cancel the delivery in whole or in part.

3.4 Supplier must immediately notify Buyer if Supplier is likely to be unable to meet a Delivery Date – duration of delay and its cause.

3.5 Early or partial delivery is performed only with prior written consent of Buyer. At its discretion, Buyer is entitled to reject the goods. Storage of goods delivered prematurely or goods that exceed the ordered quantity is at the expense and risk of Seller. Seller is liable for the risk of accidental destruction of the goods or accidental damage to the goods after Buyer rejects the goods.

3.6 When supplying tools, equipment and machines, Seller shall draw a schedule that is submitted to Buyer once a week and includes the actual versus the plan.

3.7 If quality or specification of Goods is not agreed in Contract, Seller shall deliver the goods in the quality and design according to the relevant technical standard or in the quality and performance corresponding to the agreed purpose or purpose for which such goods are usually used and/or for the purpose resulting from Buyer's order, and at the same time in accordance with all generally binding legal provisions, technical, safety and other regulations related to the goods.

3.8 Seller shall, at its own expense, deliver Goods and relevant documentation to Buyer at the time and place agreed in Contract. Unless otherwise agreed in Contract, the place of delivery is Buyer's registered office.

3.9 Goods shall be packed in a manner suitable for the agreed type of Goods and for the agreed transport in order to prevent damage to Goods in transport to the agreed place of delivery and to ensure safe handling and storage of Goods. Returnable packaging and fixing material is only returned if expressly agreed in Contract. In such a case, the returnable packaging material shall be identified with the packaging number, the owner of the packaging material and a returnability status of the packaging, otherwise it will be considered non-returnable packaging. All packaging shall be environmentally friendly and shall comply with applicable legal requirements in general.

3.10 No charges will be allowed for transportation, freight, insurance or shipping to agreed place.

3.11 Seller warrants to Buyer that Goods to be delivered are free and clear of all liens and encumbrances of third parties as of date of conclusion of Contract and as of delivery date .

Article 4

Purchase price and invoicing

Prices for the Goods and/or Services will be set out in the applicable Order. Price increases or charges not expressly set out in the Purchase Order shall not be effective unless agreed to in advance in writing by Buyer. Supplier will issue all invoices on a timely basis. All invoices delivered by Supplier must meet Buyer's requirements, and at a minimum shall reference the applicable Purchase Order. Buyer will pay the undisputed portion of properly rendered invoices thirty-five (35) days from the invoice date. Buyer shall have the right to withhold payment of any invoiced amounts that are disputed in good faith until the parties reach an agreement with respect to such disputed amounts and such withholding of disputed amounts shall not be deemed a breach of this Agreement nor shall any interest be charged on such amounts. Notwithstanding the foregoing, Buyer agrees to pay the balance of the undisputed amounts on any invoice that is the subject of any dispute within the time periods specified herein.

4.1 Purchase price is a sum of money that is agreed upon when buying and selling goods. The price and its specification shall comply with Act No. 526/1990 Collection of Laws and Regulations, applicable Price Act. Unless agreed otherwise, the price is in EUR. In case of dispute, the usual price set out by Act No. 151/1997 Collection of Laws applicable on Property Valuation and Relevant Laws Amendments, shall be followed. It is not inevitable that the price corresponds to value of Goods. The price after deducting any discounts includes free delivery to the place of receipt, including packaging and insurance.

4.2 The price of Goods is agreed by the parties of Contract for the business transaction or is determined according to the valid price list issued by Seller. If a price list is concluded between Seller and Buyer, then the purchase price concluded therein can only be changed by a bilateral agreement of the contracting parties.

4.3 Unless otherwise stated, it is considered that all prices are exclusive of VAT and Seller is entitled to charge VAT to the purchase price at the statutory rate.

4.4 Seller is not entitled to require advances from Buyer, unless otherwise agreed.

4.5 Buyer undertakes to pay the price for the delivered goods within the due date agreed by the parties as follows: on the first Monday after 60 days from the date of issue of the invoice – tax document submitted by Seller to Buyer. Only if an invoice (accounting document) issued by Seller is duly submitted to Buyer the purchase price for the delivered Goods is payable. Without the submission of a proper and fault-free accounting document, the purchase price of the goods will not become due. Invoices shall be submitted via e-mail only. The accounting documents shall be addressed to faktury@atek.cz.

4.6 In case of filing a complaint about Goods, the due date is extended to cover time required to complete the complaint procedure. This also applies in the case that only a few pieces of Goods from one series are claimed, which results in the inspection (sorting out) of goods from the entire batch or delivery.

4.7 Seller is not entitled to assign any claim against Buyer to a third party without the written consent of Buyer.

4.8 If Buyer is in delay with the payment of invoices, Seller is not entitled to suspend the delivery of the goods.

4.9 If Buyer is called upon by the tax administrator to pay or if Buyer is obliged to pay VAT for the goods that he has purchased, but Seller has not paid the VAT that he is obliged to pay for the delivered goods to the relevant tax administrator, the Buyer is entitled to charge the Seller a contractual penalty corresponding to five times the VAT that Buyer is obliged to pay to the tax administrator on behalf of Seller.

4.10 Seller declares that the bank account stated on the invoices is the bank account that is registered by the tax administrator for remote communication and at the same time this bank account is registered by the payment service provider in the Czech Republic.

4.11 If Seller becomes an unreliable payer at the time of the contractual relationship or if the bank account stated on the invoices is no longer registered in a manner allowing remote access, Seller is obliged to notify Buyer of these facts without delay. In such a case, Buyer reserves the right to benefit the institute of securing tax pursuant to Section 109a of Act No. 235/2004 Collection of Laws relevant to VAT, and will not pay Seller the entire value of the obligation on the basis of the issued tax document, but only an amount equal to the tax base excluding VAT. The amount of VAT stated on the tax document will be paid by Buyer directly to the tax administrator's bank account. By paying the tax base to Seller to the above-mentioned bank account and by paying the amount corresponding to the amount of VAT stated on the tax document to the account of the tax administrator, the obligation towards the Seller is fulfilled in full.

4.12 Buyer reserves the right to return the Invoice to Seller to be corrected or completed if it is not in line with the agreed or statutory requirements. In such a case, the agreed due date shall commence from the date of delivery of the corrected Invoice to Buyer.

The Invoicing process:

4.12 The basic requirements for remote submission of properly rendered invoices are as follows¹⁾:

- 4.12.1 PDF format preferably generated directly by the information system;
 - 4.12.2 file size up to 10 MB;
 - 4.12.3 resolution 200-300 dpi, black and white (for less readable "grayscale" documents);
 - 4.13.4 to send each invoice by separate e-mail and to specify the invoice number in the subject of the e-mail;
 - 4.13.5 in case of sending corrected invoices write the word "CORRECTION" in the subject of the email;
 - 4.13.6 confirmed Delivery Note or Handover Record that is part of the invoice should be sent in a single file and attached to the invoice (invoice on the first page – followed by other related documents).
 - 4.13 Invoice (tax document) shall include the following specifications:
 - 4.13.1 identification of the tax document and its number;
 - 4.13.2 the business name, registered office and ID number of Buyer and Seller and the address;
 - 4.13.3 the specification of the delivery (number or copy of the delivery note);
 - 4.13.4 the date of issue of the invoice and the due date of its payment;
 - 4.13.5 identification of the bank and account number to which the payment is to be made;
 - 4.13.6 price per unit quantity and other price requirements;
 - 4.13.7 Invoice – tax document shall correspond to Act No. No. 235/2004 Collection of Laws relevant to VAT, as amended;
 - 4.13.8 Invoice shall include Buyer's order number.
 - 4.14 Advance invoices
 - 4.14.1 Advance invoices shall include the total value of the purchase order, the final invoices shall include all advance invoices.
 - 4.14.2 If advances are agreed between Buyer and Seller in an individual case, then Seller will provide appropriate service insurance, e.g. a bank guarantee, at the request of Buyer.
- ¹⁾ If Seller requests invoices to be sent in a different format, e.g. ISDOC(x) or to implement a self-billing process (invoices are issued by Buyer on behalf of Seller), please contact the Financial Director Department.

Article 5

Quality, quantity and packaging

- 5.1 Seller is obliged to deliver Goods in quantity, quality and design specified by the Order. Goods shall comply with the drawing documentation. If quality and work process has not been specified in details, Seller shall deliver Goods in quality and design corresponding to the purpose of the contract and the usual purpose that Goods are made for, Goods shall comply with all applicable laws, regulations, standards and codes of the Czech Republic, the EU, ČSN and EN.
- 5.1.1 In case technology, technological tests or their parts are to be delivered, SW handover shall be documented in a record issued by Buyer and Seller. The conditions of handover are specified in the annex to the contract. The handover should be performed only if Buyer fully agrees with performance of the order. In case of time constraints when Seller has to launch production earlier without proper handover, then a handover in part may be agreed upon. Such a handover in part does not impair Seller's right to receive payment.

5.1.2 Goods, technology, technological sets, or their independent parts, SW are fully transferred to the ownership of Buyer upon its delivery by Seller.

5.2 Detailed conditions and quality requirements for Seller as a supplier are published by Buyer at: <http://www.attek.cz>. Seller declares that he has read the "Quality Assurance Agreement" and undertakes to comply with it.

5.3 If Seller is asked to prove quality of Goods by a certificate, or to send reports or protocols, he is obliged to send it via e-mail to the address with domain @atek.cz, which Buyer provides him upon request. The relevant certificate is always issued for each individual delivery (production batch). If Seller does not submit the certificate with Goods, Buyer is not obliged to take over such Goods; if Buyer hands it over anyway, Goods are not considered to have been properly delivered until the moment the certificate applicable to Goods is submitted to Buyer.

5.4 Seller declares that all of its products (Goods to be delivered) comply with environmental, health and safety laws and regulation.

5.5 If Goods are intended for production process in the automotive industry, all goods supplied (materials and parts) will comply with the information provided in the IMDS (International Material Data System). IMDS shall not include prohibited substances. Seller shall enter all required data relevant to all supplied parts or materials into IMDS. Seller shall ensure and develop its quality system in accordance with the requirements of IATF 16949 and EMS quality systems according to ISO 14001. Seller shall be certified according to ISO 9001. On top of that Seller shall comply with the updated quality system (i.e. always be in line with changed / updated requirements relevant to quality system). Seller shall recertify its systems so that it always has an up-to-date and valid certificate (i.e. up-to-date with the latest version of the standards on continuous base). In case a new certificate is issued, or change in the scope of activity, validity or withdrawal of the certificate, Seller shall notify Buyer in writing with no delay, but no later than in three working days, to the e-mail address: @atek.cz. This applies for the entire duration of deliveries to Buyer. Seller keeps proper and demonstrable records of all measurements and tests carried out during production, which Seller shall submit to Buyer upon request. This record is maintained for a period of 15 years from the end of chain production.

5.6 If Goods are intended for production process in the automotive industry, Seller shall provide Buyer the reference samples of Goods according to the requirements and specifications submitted by Buyer before the chain production is launched. Seller shall submit new reference samples in the event of technical changes and changes in the production process affecting compliance with the quality parameters of Goods. Chain production deliveries can only be carried out after approval of the reference samples and the scope of the specified documentation is issued.

5.7 Seller shall provide the necessary capacity for the average monthly demand based on the previous three months. If Seller fails to meet the delivery date, product quality or the ordered quantity of products according to the sub-contracts, Buyer is entitled to withdraw from the concluded sub-contract at no risk.

5.8 Seller shall keep Goods on stock equivalent to 14-day average quantity delivered to Buyer in order to provide delivery continuously. Upon request Seller shall immediately release Goods on stock in favour of Buyer and deliver it to Buyer. In 5 days Seller shall make sure there is enough Goods on stock again.

5.9 Seller shall deliver Goods duly packed and labelled so that Goods are easy to handle, not damaged nor mingled during transport. Unless otherwise agreed Seller shall:

5.9.1 dispatch Goods in safe transportable batches (EUR pallets or MARS pallets or cardboard boxes) allowing handling by forklifts;

5.9.2 provide each pallet with a dispatch note specifying Seller's company, the title of Goods, the number of pieces and the date of production, who packed and inspected the Goods;

5.9.3 Seller shall complete each delivery with a delivery note providing details about Seller, delivery note number, order number, name and part number and quantity;

5.9.4 Seller shall identify the packaging (EUR pallets, MARS pallets, cardboard boxes, etc.) with a bar code or other code according to Buyer's requirements;

5.9.5 Buyer expects that Seller should not process materials made from smelted minerals coming from unfair sources. The smelted minerals coming from unfair sources are those which extraction, transport, trade, handling/processing, or export, directly or indirectly, support non-state armed groups;

5.9.6 upon request Buyer shall provide information about foundries or refineries which supply minerals such as tin, tantalum, tungsten and gold to the contractors or subcontractors. A standard form (Conflict Minerals Reporting Template) issued by the Conflict-Free Sourcing Initiative (CFSI) is available for download at:

<http://www.responsiblemineralsinitiative.org>.

Article 6

Delivery of Goods and Defects

6.1 The place of delivery of Goods is the place specified in the purchased order sent by Buyer. Unless otherwise notified, the place of delivery is the registered office of Buyer.

6.2 Seller shall deliver the object of purchase to Buyer within the period specified in the Supply Contract.

6.3 The ownership title to the subject of purchase shall pass from Seller to Buyer at the moment when Goods are handed over to Buyer (by delivery). The risk of accidental destruction of the items shall pass from Seller to Buyer at the moment when the objects of purchase are handed over to Buyer.

6.4 If more than 40% of the value of the Supply Contract is delivered by Seller's subcontractor, Seller shall notify Buyer before accepting the Supply Contract. If Seller fails to meet this obligation, Buyer is entitled to withdraw from the contract at its discretion or to apply a reduction of the purchase price in the amount of 20% of the value of Supply Contract as contractual penalty.

6.5 If tools, equipment and machines that are manufactured or modified according to the Buyer's requirements are to be delivered, it is necessary to submit 2 sets of drawing to Buyer. Having received the written approval of the drawing the material shall be ordered and production can be launched.

6.6 In the event that claims are brought against Buyer, its employees, vicarious agents, successors, legal successors, customers and users of Goods for all damages, claims for damages, costs of legal prosecution, including the costs of appeal, contractual penalties arising from defects in the delivered goods Seller liberates Buyer from responsibility to handle such claims. At the request of Buyer, Seller shall immediately assume Buyer's defence against a third party on the grounds of a brought or threatened action.

6.7 Drawings, data, models, templates, patterns, tools, etc., which are made available by Buyer to Seller, remain the property of Buyer.

6.8 If these have been made available to Buyer by Seller, Seller shall hand them over to Buyer if they have been paid for by Buyer.

6.9 Under no circumstances may documents included in 6.7 be transferred to third parties or otherwise made available to them without the prior written consent of the Buyer. Only if this prerequisite is observed, they may be provided.

6.10 In case tools, equipment or other operating equipment that is needed for the production of parts modified according to the Buyer's wishes are delivered to Seller, then all items of this kind produced with relation to Buyer's purchase order become ownership of Buyer.

6.11 If Seller is in delay with the proper and timely delivery of Goods to Buyer, Seller shall pay a contractual penalty in the amount of 2.5% of the purchase price of the entire delivery, for each day of delay, to Buyer; such a contractual penalty shall not exceed 10% of the total amount of the order. If Seller is delayed with delivery more than 30 days, Buyer is not obliged to accept Goods; on the other hand Seller shall offer such Goods to Buyer to be purchased. During this period, Buyer is also entitled to a contractual penalty under this article and paragraph, until the moment of delivery of Goods or withdrawal according to the following. If the Seller's delay in the delivery of goods under the purchase contract is more than 30 days, the Buyer is entitled to withdraw from this purchase contract. In the case of delivery of defective Goods, the delay period continues until the delivery of a defect-free Goods. Buyer is entitled to deduct the contractual penalty directly from the Seller's invoice. The application of a contractual penalty also remains reserved upon receipt of Goods.

6.12 Clause 6.11 also applies if the delivery or sampling date is postponed and the new deadline is not met by Seller.

6.12 When specifying the packaging material, Seller shall take into account and respect the following rules:

- * avoid, if possible, packaging in general,
- * support returnable packaging
- * used packaging to be returned
- * unavoidable packaging to be used made from recyclable materials.

6.13 Seller is hereby asked to respect the requirements of the following when supplying materials:

- To give up transport packaging, if possible, having in mind reduction of risk of damage during transport,
- * Limit essential transport packaging, repackaging and sales packaging to the absolutely necessary extent and at the same time use – if possible – returnable, loaned or exchangeable packaging,
- * However, Seller is obliged to use only packaging materials and fillings that are safe for the environment and do not negatively impact the environment unnecessarily

6.14 In breach of these additional terms, Buyer is entitled, at our discretion, to:

- * send the packaging back to Seller at the expense of Seller, or
- * arrange for proper disposal – by assigning the costs incurred to Seller.

Seller shall ensure that compliance with the above provisions does not have a negative impact on the price of Goods and services supplied.

6.15 Seller guarantees that Goods are suitable for the intended purpose and are sufficient for this purpose, they do not have any defects, material and manufacturing defects. Seller also ensures that the delivered Goods comply with all specifications and requirements defined (drawings, layouts, etc.) These warranties apply in addition to the statutory warranty provisions. Seller provides a guarantee for all defects that Goods may have at the time when Goods are handed over to Buyer. Such defects are also considered to be hidden defects. The warranty applies to any Goods supplied by Seller. Under the terms of this warranty, Seller assumes responsibility for ensuring that Goods are free from defects that could compromise or affect their functionality, provided that Buyer has used the Goods or part thereof in accordance with the Seller's instructions or in accordance with the general use of such goods or their component parts as can generally be expected for goods of this kind. If the deliveries are defective only in part, Buyer is entitled to cancel the entire Supply Contract also with regard to the non-defective goods and to claim compensation for damage due to non-performance. In case of defective partial deliveries, Buyer may also withdraw from the Supply Contract with regard to the missing deliveries or refuse to accept them and claim damages due to non-performance.

If a written complaint on defects is submitted to Seller when the limitation period expired it will not be processed. Repairs that are necessary within the scope of the warranty obligation must be carried out at the place of use; all costs incurred therein shall be borne by Seller. Seller provides the Buyer with a quality guarantee for the period of time individually agreed in Supply Contract, if not agreed otherwise for a period of 24 months from the date of due delivery of Goods to Buyer.

In the event of a difference between the warranty period specified in Supply Contract and on the warranty certificate, a longer period shall prevail. In the event of a discrepancy between the period in Supply Contract and the time period on the packaging, the Supply Contract shall prevail. In the event of a different warranty period in Supply Contract, in the warranty card and a longer period of time on the packaging, the longer warranty period stated on the packaging takes precedence.

6.16 Buyer shall notify Seller about any quantity or obvious defects found within 30 days of the delivery. Buyer shall notify Seller about other defects within the complaint period specified by the warranty period. Notification of a defect is timely if sent by Buyer on the last day of the warranty period. The method of correcting the defect is always chosen by Buyer.

Seller shall correct the defects on Goods found and notified within 7 days of delivery in line with the Buyer's right relevant to defective performance to choose the actual corrective action. If Buyer chooses to repair the defect or deliver new Goods defects-free, Seller will provide a reasonable deadline for compliance. When new goods are delivered, Buyer shall return the defective goods according to the transport instructions communicated by Seller at Seller's expense. If requested by Buyer, Seller is obliged to send his representative without undue delay to inspect the complained defect for the purpose of its evaluation.

In case Seller is in delay with the corrective action assigned to defected Goods while the notification about defect was submitted within the time limit set by Buyer or agreed by the Contracting Parties, Buyer is entitled to remove the defect himself or through a third party at the expense of Seller; Seller is obliged to pay the expense to Buyer within 30 days of receipt of the relevant bill. This procedure applies even if the deadline to implement the corrective action is not agreed, but the corrective process is agreed by Contracting Parties.

If the defect cannot be corrected or if there are disproportionate costs associated with its correction, Buyer may withdraw from the Supply Contract or activate any other right following defective performance.

Seller shall correct the complained defects even if he does not accept them. Seller shall always use new and original spare parts for warranty repairs.

Until the defects are fixed, Buyer is not obliged to pay part of the Purchase Price (if it has not yet been paid) at an estimate sum reasonably corresponding to its right to a discount. This part of the Purchase Price will be withheld from Buyer until the defect is removed. Buyer shall cease using the defective goods or goods in which part is defective without undue delay after discovering the defect and notify Seller of the defect allowing him to disassemble and/or repair the goods or part of the goods. If Goods were delivered to a third party, then Seller shall perform corrective action with this third party.

6.17 In case Buyer finds that Goods have defects due to which Buyer cannot use the Goods properly, then Buyer has the right to choose the following options to satisfy his claim arising from defective performance provided by Seller during (or after) the written claim for defective performance:

6.17.1 delivery of a new defect-free item or a new defect-free part,

6.17.2 delivery of a missing item or part,

6.17.3 remedy of legal defects,

6.17.4 repair defected item or part,

6.17.5 providing a reasonable discount on the purchase price, or

6.17.6 withdrawal from Supply Contract,

6.17.7 sort out the delivered goods or let the third party to sort them out to separate the defected items and subsequently deliver the missing faultless goods.

6.18 If Buyer requires the defect to be repaired, Seller shall provide repair in 24 hours from the moment of the Buyer's claim. If Buyer requires sorting out the delivered goods, Seller shall do so in order not to limit or stop production. If Buyer fails to do so, Buyer is entitled to have the defect repaired by a third party, or to sort out Goods on his own or by a third party, and to charge the Seller for the costs of repairing the defect or sorting out. Seller is liable for all production failures at the Buyer business and his customers business caused by defective goods. In such a case, it exempts Buyer from all relevant costs (costs on legal prosecution, contractual penalties, claims for damages of all kinds). In addition, Seller shall compensate for the unnecessary costs of processing defective goods, including downtime in the case of technologies, technological units or parts thereof, SW.

6.19 When supplying synthetic granulate (also masterbatch or dye), Seller shall attach a certificate on test stating the prescribed and actual values to the delivery documents, or to send it electronically before delivery. In the event of failure to submit such test certificate, the Buyer is entitled, but not obliged, to send the delivery back at Seller's expense or to store the Delivery at the Seller's expense and risk until such test certificate is received. In this case, Seller exempts Buyer from all claims of his customers due to the production lost-time (damages, contractual penalties, costs of legal prosecution). The same obligation applies if a defect occurs in the case of processing of granulate or later on the final product, which is based on the quality of the material supplied.

6.20 In the case of design works, calculations, special engineering services and special services Seller assumes warranty for his fault-free services. Buyer does not control drawings, documents and parts. Buyer reserves the right to invoice Seller for all indirect

and direct accompanying costs (damages, contractual penalties, costs of legal prosecution, etc.) that arise from faulty work with Buyer or his customers.

6.21 Seller shall supply spare parts to Buyer usable for delivered Goods for a period of 15 years from the date of the last delivery of the type of Goods after termination of serial production.

6.22 Seller declares that it has read the document: "Tariff of flat-rate compensation of costs and damages ATEK s.r.o." current to date, which is part of the <http://www.atek.cz> Quality Assurance Agreement. If the circumstances foreseen by the Tariff in question occur in the contractual relationship, the rights and obligations which are governed by these General Purchasing Terms and Conditions, Seller undertakes to pay Buyer all damages, contractual penalties or other compensation in accordance with the Tariff in question.

Article 7

Ownership, Intellectual Property Rights and Confidentiality

7.1 Seller declares to be the owner of all Goods sold to Buyer and that his ownership title or disposition right to Goods is not limited in any way nor by anyone. Seller is responsible for ensuring that Goods are free of legal defects. If the delivered goods are protected by any industrial property right, the delivery of Goods transfers the application of this right to the delivered goods to Buyer. At the same time, Seller declares that Goods delivered to Buyer are not encumbered by any industrial property rights of third parties. If they should If the above declaration results in violation of the rights of third parties as a result of the use or sale of the delivered goods, Seller is obliged to fully pay any claims of these third parties directly or as compensation for damage to Buyer.

7.2 Both parties undertake to keep confidential all trade and operational information, drawings, documents and other information, nor disclose them to third parties, nor to use them for any purpose above obligations agreed in the Supply Contract without the prior written consent of the other party. All documents, documentation and production process provided by the Buyer to the Seller in relation with Supply Contract are confidential information.

7.3 Seller shall inform all employees who will have access to the information related to the obligations concluded herein to keep information provided confidential.

7.4 The limitations, uses and confidentiality obligations agreed in these Conditions do not apply to knowledge, experience and materials available to general public; in particular knowledge beyond reasonable doubts available to Seller before the information and documents were provided by the Buyer or information made available to Seller by a third party in accordance with the law.

7.5 Seller is not entitled to produce, use or provide to a third party the parts released or manufactured according to the documentation, documents and information provided by the Buyer. Likewise, Seller is not entitled to use the Buyer's tools.

7.6 If any statement or obligation agreed in Supply Contract or in accordance with these Conditions are breached, the infringing Contracting Party shall pay the other Contracting Party a contractual penalty of EUR 50,000.

7.7 All technical documentation (drawings, technical documents, calculations, procedures, instructions, etc.) that the Buyer hands over to the Seller to launch production of Goods (hereinafter referred to as the "Technical Documentation") is the exclusive intellectual

property of the Buyer. The subject of the Buyer's exclusive intellectual property is technical process in general, other processes and procedures that are covered in the Technical Documentation and which are identified accordingly.

7.8 Without the express written consent of the Buyer, the Seller is not entitled to publish or make available the Technical Documentation to any third party or to use it for the benefit of himself or any third party. The Seller should use the Technical Documentation only in connection with the production of the Goods. This obligation does not apply to administrative or other public authorities or any other authorities if they exercise mandatory inspection or other supervision under applicable laws.

7.9 If Goods delivered under the Supply Contract is a tangible result of an activity (hereinafter referred to as the "Material result"), which is protected by a right of industrial or other intellectual property, the Seller shall provide the Buyer with a royalty-free license to use the tangible result included in the Supply Contract, even for purposes other than those specified in the Supply Contract. The License includes the Buyer's right to use the Material Result without time and place limitations, and the right to grant a sublicense to a third party as well.

Article 8

Termination of Supply Contract

8.1 The Supply Contract may be terminated by agreement of the Contracting Parties or by withdrawal from the Partial Supply Contract, if the Contracting Party is permitted to do in line with the Supply Contract, these Conditions or by law.

8.2 The Buyer may withdraw the Partial Supply Contract under circumstances such as the end customer cancels its order and it is not right to insist upon the Buyer's responsibility to hand over the goods or parts thereof.

8.3 The Buyer may withdraw the Partial Contract at any time, or decline to hand over the ordered Goods in total or in parts without any penalty or liability for damage.

8.4 In the event of vis maior, strike, lock-out or other serious operational or distribution disruptions, the Buyer is entitled, taking into account the interests of the Seller, to withdraw the Supply Contract in total or in part, or to postpone handing over the Goods or service delivery.

8.5 The same provision applies if the Buyer's order is not properly processed due to the insolvency or substantial deterioration of the Seller's property or if the Seller fails to meet its obligations despite being called upon to do so. Other claims remain in force.

8.6 If the Buyer withdraws from the Supply Contract for a reason within the Seller's responsibility, the Seller is obliged to compensate the Buyer for the damage caused. The Buyer is entitled to send the Goods back at the expense and risk of the Seller or to store them with a third party.

8.7 The Buyer is entitled to cancel an order submitted to Seller if the Buyer's customer cancels his order due to a change in the model, unscheduled end of serial production, design or technical changes or as a result of any other problem not accountable to Buyer and terminate or restrict the order to which the Seller's goods apply under the existing order. In this case, the Buyer shall not be liable for lost profits, passive interest or consequential damages of any kind.

8.8 The Customer is entitled to retain part of the Goods delivered before the withdrawal from the Contract. The Buyer shall notify the Seller in writing of the goods kept by the Seller within five (5) days of the delivery of the withdrawal from the Contract by the Seller or Buyer. For the retained Goods, the Seller is entitled to the corresponding part of

the Purchase Price. The Seller shall take back the other delivered Goods from the Buyer, at his own expense, if the withdrawal occurred due to a breach of obligations on the part of the Seller.

Article 9

Seller's insurance for damage caused by supplies

9.1 The Seller undertakes to be contractually insured against liability for damage caused by a defective product, at least up to the insurance indemnity limit of CZK 10,000,000 for each individual case of liability for damage.

9.2 The Seller undertakes to pay the insurance premium properly and on time and to maintain the insurance policy concluded under the previous clause in force for the duration of the business relationship with the Buyer + 3 years after the termination of the business relationship and the performance of all partial contracts. The Seller is obliged to submit the confirmation of insurance for the given period and the insurance contract (insurance policy) at any time upon the Buyer's request.

9.3 The Seller is entitled to change the insurance company or policy only in such a way that the coverage of insured risks or the limits of liability increases. However, they must always ensure that insurance also covers benefits provided in the past (as defects and damages may arise from delivered goods even after several years). The Seller is obliged to inform the Buyer of any changes in the insurance within 7 days.

9.4 If the Seller breaches the obligations arising from this article towards the Buyer, the Buyer is entitled to demand a contractual penalty of CZK 10,000,000 from the Seller.

9.5 The Seller acknowledges that the insurance is part of the Seller's risk assessment according to IATF 16949, chapter "risk assessment".

Article 10

Requirements for Supplier Social Responsibility/Sustainability

10.1 The Seller undertakes to have Code of Conduct that covers the following topics:

- Privacy
- Intellectual property protection (rejection of counterfeiting of parts)
- Protecting identity and preventing whistleblower reprisals

Furthermore:

- Compliance with export measures and economic sanctions
- Financial responsibility (accurate records)
- Disclosure of information
- Fair competition and antitrust measures
- and others according to the Buyer's current requirements

10.2 The Seller declares that it has an internal policy on working conditions and human rights, covering topics such as child labour and the employment of minors, wage conditions, benefits and social benefits, working hours, forced labour and human trafficking, freedom of association and collective bargaining, as well as the topic of harassment and non-discrimination, as well as modern slavery (i.e. slavery, serfdom and forced labour, human trafficking, etc.).

10.3 The Seller declares that it has an internal directive on occupational health and safety, which covers at least the thematic areas related to emergency preparedness, accident and accident management and fire protection.

10.4 The Seller declares that it has an internal policy on business ethics, which covers the topics of corruption, extortion, bribery and conflict of interest.

10.5 The Seller declares that it has an internal directive concerning environmental protection, which includes the thematic areas of air quality - greenhouse gas emissions, energy efficiency and renewable resources, water quality and consumption, handling of chemicals, management of natural resources and waste prevention.

10.6 To check compliance with the requirements according to points 10.1 - 10.5, the sellers use the self-assessment questionnaire, which is available at <http://www.attek.cz>.

10.7 In the event that the requirements of Article 10 are not met 12 months after the evaluation of the questionnaire, the Seller will be excluded from nominations for further orders.

10.8 If the Buyer finds out that the Seller is violating any of the provisions of Clauses 10.1 – 10.5, the Buyer has the right to withdraw from the contract.

10.9 The Seller undertakes to accept the results of the Paris Agreement on climate change, to respect its resolutions and the subsequent measures of the European Union related to the EU's goal of achieving carbon neutrality. The seller is obliged to apply the EU's approach and targets to carbon neutrality at the request of the Buyer to provide all relevant information necessary to comply with the reporting obligation in this area. The seller undertakes to require similar obligations from its suppliers.

10.11 The Seller undertakes to respect, apply and implement the principles and measures of ESG "Environmental, Social and Corporate Governance" in its company and to pass these requirements further along its supply chain.

Article 11

Environment and safety

11.1 Seller undertakes that the goods subject to the specification according to the applicable legal provisions must be marked with the CE mark and submit a declaration of conformity at the time of delivery. This applies similarly to the submission of the manufacturer's declaration. Failure to mark or present the goods entitles the Buyer to withdraw from the purchase contract, even if the goods have already been delivered and installed.

11.2 The use of prohibited substances according to the RMI specifications (<https://www.responsiblemineralsinitiative.org>) is prohibited

11.3 If the operation of the supply of technologies, technological units or parts thereof SW requires an official permit, then the Seller must point out this fact.

11.4 In the case of deliveries of technologies, technological units or parts thereof, SW, the Seller is obliged to comply with the applicable national and international regulations that apply to the place of performance of the goods. This includes safety regulations and traffic safety regulations. Failure to comply entitles the Buyer to withdraw from the contract, even if the goods have already been delivered, installed.

11.5 The Seller undertakes to comply with the regulations that apply here during work on the Buyer's premises. This obligation also applies to all persons authorised by the Seller, regardless of the type and legal regulation of cooperation.

11.6 The Seller undertakes to comply with all legal and official requirements that are applicable in direct connection with the performance of the delivery, this applies in particular in the case of services or supplies relating to environmental and safety importance.

11.7 The Seller is expected to respect the interests of environmental protection in the performance of Orders.

Article 12

Final provisions

12.1 The contractual relationship between the Seller and the Buyer is governed by Czech law, with the express exclusion of the Vienna Convention on the International Sale of Goods of 1980.

12.2 All disputes arising from individual contracts concluded between the Seller on the one hand and the Buyer on the other hand or in connection with these contracts to which these General Purchasing Terms apply, and which are not primarily settled by agreement of the parties, shall be finally resolved before the general courts of the Czech Republic. The Parties (i.e. the Buyer and the Seller) have agreed within the meaning of Art. 89a of the Act. No. 99/1963 Coll., the Code of Civil Procedure, that in matters related to individual contracts concluded between the Buyer and the Seller, the District Court in Svitavy shall have territorial jurisdiction in the first instance in the case of subject-matter jurisdiction of the District Court for each case and in the case of substantive jurisdiction of the Regional Court for each case, the Regional Court in Hradec Králové will have territorial jurisdiction. If one of the parties is a foreign entity, the previous sentences shall not apply, but the following arbitration clauses: Any disputes arising out of or in connection with the contract to which these Terms are a part shall be decided, excluding the jurisdiction of general courts, in arbitration proceedings in accordance with Act No. 216/1994 Coll., at the Arbitration Court attached to the Economic Chamber of the Czech Republic and the Agricultural Chamber of the Czech Republic pursuant to its Rules by three arbitrators appointed pursuant to these Rules. The parties undertake to comply with all obligations imposed on them in the arbitration award within the time limits specified therein.

12.3 If either party is entitled to payment of a contractual penalty under these General Terms and Conditions of Purchase, such a claim shall not affect the right to compensation for damage to which the injured party is entitled in addition to any claim to a contractual penalty.

12.4 In the event that any of the provisions of these General Conditions of Purchase is or becomes invalid, ineffective or unenforceable, the validity, effectiveness and enforceability of the remaining provisions shall not be affected. The Contracting Parties are obliged to cooperate with each other so that the invalid, ineffective or unenforceable provision is replaced by a valid, effective and enforceable provision that preserves the economic purpose intended by the invalid, ineffective or unenforceable provision to the maximum extent possible. The same applies to the case of a gap.

12.5 None of the parties to individual contracts concluded between the Buyer on the one hand and the Seller on the other hand is entitled to inform unauthorized third parties in any form about the content of the rights and obligations arising for each of them from the individual contracts concluded between the Buyer and the Seller, unless expressly agreed otherwise in this matter.

12.6 The Seller and the Buyer declare that they will not derive rights and obligations beyond the scope of the concluded Contract and these Terms and Conditions from the current or future practice established between them or from the generally observed customs or from the sector of the goods supplied.

12.7 Amendments and additions to these General Terms and Conditions of Purchase shall be made in writing.

12.8 The place of supply for supplies and services is the current place of receipt.

12.9 The rights and obligations arising from the individual contracts to which these General Terms and Conditions of Purchase apply shall also pass to any legal successors of the parties.

12.9.1 The integral part of these Conditions are:

12.9.2 Quality assurance agreement,

12.9.3 Overview of Reimbursement of Costs and Damages issued by ATEK s.r.o.

12.10 These Standard Purchase Terms and Conditions are effective as of the first of August 2023.