

# General Purchase Conditions of Company PSP Pohony a.s.

## I. General Provisions

- (1) These Purchase Conditions (hereinafter referred to as GPC) are an integral part of all orders issued by company PSP Pohony a.s. (hereinafter referred to as the Buyer) for the purpose of purchasing goods or services.
- (2) These GPC prevail over any conditions contained in the supplier's documents (hereinafter referred to as the Seller). The current version of the GPC are accessible on the website <https://www.pohony.cz/en/www/ke-stazeni>
- (3) In the event that a General Agreement or other agreement is entered into by and between the Buyer and the Seller which governs some provisions of the GPC, the different provisions in such agreement prevail over these GPC.
- (4) These GPC may also include Buyer's quality assurance guidelines, if attached to the order.

## II. Orders and Their Amendments

- (1) Orders will be sent to the Seller on the Buyer's forms in writing by mail, by e-mail or by other means agreed by the Parties. Clarified orders must be confirmed by the Seller within 3 business days. An order confirmed in this way becomes a purchase contract.
- (2) The order must contain the following:
  - Buyer's and Seller's identification details
  - order number and date
  - the exact specification of the purchased goods or services
  - quantity of ordered goods
  - price per unit
  - delivery date (day, month, year)
  - packaging method
  - delivery terms
  - payment terms
  - other relevant information relevant to the delivery at the Buyer's discretion
- (3) The Seller agrees to deliver the ordered goods or services specified in the confirmed order in accordance with the Purchase Agreement within the timeframe and required quality and the Buyer agrees to accept and pay for them.
- (4) The subject-matter of the agreement must be packaged in the usual way for the given product line, unless otherwise specified in the order.
- (5) The parties agree to respect the changes or cancellations required for any order. These changes and cancellations become valid and can only be implemented after confirmed in writing by the other party.
- (6) Above standard requirements for attestations, measurements, etc. must be stated in the order.

## III. Deliveries

- (1) The place of destination is the premises of company PSP Pohony a.s., Kojetinská 71, 750 53 Píerov, unless otherwise specified in the order.
- (2) Together with the goods, a delivery note must be handed over to the Buyer with a precise specification of the contents of the delivery enabling acceptance to be carried out, containing in particular the following:
  - Buyer's and Seller's identification details
  - order number
  - delivery note number
  - shipping date
  - specification of the supplied goods
  - quantity of the supplied goods
  - price per unit
- (3) Certificates or other special requirements, if specified in the order, are also an integral part of the delivery.
- (4) The Seller is obliged to pack the goods in accordance with the requirements specified in the order or purchase agreement, or reasonably and appropriately so that they cannot be damaged during transport.
- (5) The agreed terms are binding for the supplier. For delayed deliveries, it is possible to charge an agreed contractual penalty of 0.05% for each day of the delayed delivery, up to a maximum of 5% of the delivery price. The payment of the contractual penalty is without prejudice to the Buyer's right to compensation.

## IV. Prices and Payment Terms

- (1) The price of the goods or services is based on a valid price list, catalogue, or Seller's offer approved by the Buyer, unless specified by the purchase agreement.
- (2) If, due to time constraints or other reasons, the price could not be clearly stated in the order, the Seller must put its price in accordance with the prices common in the area.
- (3) Invoicing for deliveries of goods or services must always be carried out no later than 3 business days after the termination of the calendar month.
- (4) Unless otherwise agreed, a 30 day payment period is agreed from the delivery of the Seller's invoice to the Buyer. If the invoice is paid within 14 days, a deduction of 2% discount is acceptable.
- (5) In the event that the Seller wrongly charges for the goods or services, wrongly charges for the price, or the invoice fails to contain any of the elements set out in the applicable legislation, the Buyer is entitled to return the incorrect invoice to the Seller before the due date, stating the reason for the return. In this case, the Buyer is not in default in the payment of the purchase price stated on the invoice until the delivery of a new invoice with a new due date.
- (6) The Buyer is not obliged to pay part of the purchase price if it is goods or a service that are the subject-matters of his or her complaint, especially if the seller has not delivered the goods (i.e. the product) to the Buyer in the required quality, for which the Buyer is then liable to his or her customers. This is without prejudice to the Buyer's right to demand the delivery of a defect-free product from the Seller, as well as to claim damages against him or her for the same reason incurred by him or her, in particular due to the asserted claims of clients (customers) against the Buyer for delays in the final delivery caused by the Seller's late delivery of goods or delivery of poor quality goods by him or her, which the Buyer could not accept for the same reason. This part of the purchase price must be settled after the termination of the complaint procedure, according to its results. The Buyer is not in default in the payment of the purchase price even if his or her claim is unsuccessful.

- (7) The date of payment of the invoice is deemed to be the day of debiting the relevant amount from the Buyer's account.
- (8) For late payments, there is an option provided to charge contractual late interest at a rate of 0.05% for each day of the delayed payment, up to a maximum of 5% of delayed payment.

## V. Quality, Warranty, Claims and Complaints

- (1) The Seller is obliged to deliver goods or services in the required quality and design in accordance with the Purchase Agreement.
- (2) The warranty period is defined to be 24 months from the receipt of the goods by the Buyer.
- (3) Claims for apparent defects must be filed by the Buyer immediately after discovery, but no later than 10 business days after the receipt of the goods by the Buyer.
- (4) Claims for hidden defects must be filed by the Buyer immediately after discovery, but no later than 10 business days after discovery.
- (5) Defects that are not found during normal inspection are considered to be hidden defects and the above provisions regarding their claims apply.
- (6) The warranty does not apply to defects caused by the Buyer after the receipt of the goods, especially defects caused by improper use, damage during handling, unapproved modifications, etc.
- (7) Complaints must be resolved on the basis of a complaint report and contain the following information:
  - identification of defective product (name, type, quality, etc.)
  - description of the found defect
  - date of detection of the defect
  - the responsible person's signature and contact details
- (8) Buyer's claims from defects in goods:
  - require removal of defects by supplying replacement goods for defective goods, delivery of missing goods and require removal of legal defects
  - require the removal of defects by repairing the goods if the defects can be repaired
  - require a reasonable discount from the price of defective goods
  - withdraw from the purchase agreement
- (9) The Seller is obliged to remove the defects to the goods as soon as possible, but no later than 30 days after receiving the complaint.
- (10) If the Seller fails to timely remove the defects or if the Buyer is in default with his or her obligations due to the non-removal of the defects, the Buyer is entitled to arrange for the removal of the defects by himself or herself or by a third party at the Seller's expense, even without the Seller's consent.
  - Removal of defects in any of the above ways does not terminate the Buyer's right to claim compensation for damages, in particular pursuant to Article IV, paragraph 6 of these GPC aforesaid.

## VI. Force Majeure

- (1) The Parties are relieved of any liability for partial or overall failure to perform obligations, given by the agreement or these GPC, in the event that such failure represents a direct result of some event or circumstances having the nature of "force majeure".
- (2) However, liability is not excluded by an obstacle that arose only when the obligated party was in default in fulfilling its obligations or that arose from their economic circumstances.
- (3) Contractors are obliged to provide the necessary information without delay and adapt their obligations to the changed circumstances according to their capabilities.

## VII. Obligation to Remain Silent

- (1) The Parties are obliged to remain confidential about all documents and information provided for cooperation from third parties, even if such information is not marked as confidential.
- (2) Upon termination of legal relations between the Parties, they are obliged to return the provided documents without delay and continue to withhold the information obtained until it becomes common knowledge.

## VIII. Final Provisions

- (1) The general purchase agreement, individual purchase agreements, these GPC, as well as the rights and obligations arising from it are subject to Act No. 89/2012, the Civil Code (hereinafter referred to as the "Civil Code"), as amended.
- (2) All other agreements, changes and amendments are valid only if they have been made in writing and must be discussed and signed by authorized representatives of both Parties.
- (3) All amendments, modifications and changes to these GPC must be made in writing, specifying exactly which parts of the GPC are modified for the given business case and how, and signed by authorized representatives of both Parties.
- (4) In the event of breach of these GPC or withdrawal from the agreement, the withdrawing party must compensate the other party for all damages that arise pursuant to the provisions of Section 2001 to Section 2005 of the Civil Code.
- (5) All disputes arising out of and in connection with the General Purchase Agreement, the individual Purchase Agreements, as well as these GPC, must be finally decided at a court having the venue and subject-matter jurisdiction, in whose district the Buyer has its seat.