# awec Group

### **GENERAL TERMS AND CONDITIONS OF SALE**

#### **Section 1 General provisions**

(1) These General Terms and Conditions of Sale (hereinafter "GTC") of the company AWEC Aluminum Products s.r.o., Company Registration No.: 283 29 139, with its registered office at Haškova 17, 638 00 Brno, registered in the Commercial Register kept by the Regional Court in Brno, Section C, Insert (hereinafter referred to as "AWEC AP") govern the mutual rights and obligations of the parties in connection with or on the basis of contracts for work, contracts of purchase, contracts for the provision of services and other similar contractual types, as well as framework contracts and related orders concluded between AWEC AP and its business partner as the customer or the buyer (hereinafter referred to as the "Client").

(2) These GTCS are an integral part of any AWEC AP offer or contract concluded between AWEC AP and the Client. These GTCS also apply if the reference to them is stated in the Client's order confirmation by AWEC AP. If the Client enters into a business relationship with AWEC AP in this way, the unconditional acceptance of these GTCS apply and the GTCS provisions thus become an integral part of the concluded contract.

(3) These GTCS are the exclusive terms and conditions applicable between the Client and AWEC AP and exclude the application of any of the Client's terms and conditions, unless AWEC AP has given prior written consent to the application of the Client's terms and conditions. The Client waives any rights it might otherwise have if it relied on these additional terms. No prior agreement between the parties or business practices will be relevant to supplement or modify these GTCS.

(4) AWEC AP is entitled to unilaterally change these GTCS to an appropriate extent, in particular in relation to the form of communication of the parties, the method of invoicing, complaint and the ways of terminating the contractual relationship (**"Amendment"**). In such a case, AWEC AP is entitled to propose to the Client in writing an Amendment no later than (1) month before the date on which the Amendment proposal is to come into effect. If the Client does not agree with the amendment, it is entitled to terminate the contract in writing with effect from the day preceding the proposed effectiveness of the Amendment. The written notice must be delivered to AWEC AP no later than one (1) month before the proposed Effective Date of the Amendment. In the event that AWEC AP does not receive the notice of termination within the aforementioned period, the Amendment shall become effective on the proposed effective date and becomes binding for both Parties. The valid wording of the GTCS published on the AWEC AP website (www.awec.cz) replaces the previous GTCS version.

### Section 2 Conclusion of the contract

(1) The contract between the Contracting Parties is concluded

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(i) by the signing of the contract by both parties, or

(ii) by the confirming of the order of the Client by AWEC AP.

(2) The Client shall order partial deliveries by means of written orders (hereinafter referred to as the **"Order"**) containing the following particulars:

(i) specification of the item or work;

(ii) the number of pieces;

(iii) the required delivery date;

(iv) the price;

(v) the Client's order number;

(vi) an indication of the person who issued the Order together with his/her name, surname and position; (vii) Order date.

The drawing documentation or rough drawing is an integral part of the Order. The contract is only concluded when the order is confirmed by AWEC AP.

(3) AWEC AP shall express its opinion on the Order no later than five (5) business days, unless otherwise agreed. A confirmation of the Client's order by AWEC AP will include a brief summary of the Terms and Conditions.

(4) If the Order contains different conditions from the offer and / or the GTCS, AWEC AP is entitled to make changes to the Order in accordance with the GTCS in the Order confirmation. If the Client does not reject such a change of the Order within three (3) working days of receipt of the change in the Order at the latest, the Order shall be deemed to be confirmed and binding as amended.

### Section 3 Subject of performance

(1) The subject of performance is the delivery of an item or work (together hereinafter referred to as the **"Products"**), as agreed in the contract, specified in the Order confirmed by AWEC AP or in the AWEC AP offer accepted by the Client under the conditions specified in these GTCS.

(2) Unless expressly agreed on the quality, features or performance of the Products, the Products are fit for the purpose expressly stated in the contract, order or offer, otherwise for the usual purpose, according to the knowledge of AWEC AP.

(3) The Client undertakes to provide AWEC AP, without undue delay, with all necessary cooperation to properly fulfill the obligations of AWEC AP.

### Section 4 Delivery of goods, delivery date, transfer of risk of damage to the item

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(1) AWEC AP shall deliver the Products to the Client at the place of performance on the agreed delivery date and the Client undertakes to accept them. If the place of performance is not explicitly agreed, it is assumed that the performance at the site of the AWEC AP is agreed.

(2) The delivery date of the Products shall be binding on both parties only after it has been confirmed by AWEC AP. AWEC AP is entitled to change the agreed delivery date only due to a lack of production capacity or other unforeseen events on its part. Notification of a change in the delivery date must be made at least 3 calendar days before the agreed delivery date.

(3) The delivery period shall be extended by at least the delay period:

- if AWEC AP does not receive timely information necessary for the performance of the contract or if the Client requests additional changes to the original Order and thereby causes a delay in the delivery of the Products;
- if there are obstacles that AWEC cannot overcome despite proper efforts, regardless of whether they are obstacles on the part of AWEC AP or the Client;
- if the Client or a third party fails to perform its tasks or fails to fulfill its contractual obligations, in particular in relation to the terms of payment.

(4) Unless otherwise agreed, AWEC AP will package the Product in accordance with the standard of AWEC AP.

(5) Unless expressly agreed in the contract or Order, delivery of the Products shall be deemed not to be a fixed obligation within the meaning of Section 1980 of the Civil Code.

(6) The Client undertakes to properly take over the Products at the place of performance, to carry out its quality control immediately (including the usual technical inspections of the Product properties) and the quantity authorized by the employee and acceptance on the delivery note of the carrier. In the event that the Client fails to identify defects upon receipt of the Products in the delivery note, the delivered Products shall be deemed not to have any obvious defects and the Client shall not be entitled to apply the apparent defects of the Products later. Minor defects and backlogs of work that do not in themselves impede the use of the Products are not grounds for refusal to accept the Products by the Client.

(7) The risk of damage to the item passes to the Client at the moment AWEC AP transfers the Products to the carrier or other person designated by the Client. If the delivery to the carrier is postponed at the Client's instruction or for other reasons without the fault of AWEC AP, the risk of damage to the Products shall pass to the Client at the moment of the warehouse release of the Products for collection. From the time of warehouse release, the Products are stored at the expense and risk of the Client.

(8) Unless agreed otherwise, the ownership right to the Products shall pass on the date of full payment of the Proce of the Products, including value added tax, to the Client.

#### **Section 5 Price and Payment Terms**

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(1) The price of the Products is agreed upon by the parties and is based on the AWEC AP price offer accepted by the Client. The price of the Products is a fixed price and is exclusive of value added tax, which will be added to the price in the amount stipulated by the applicable law. Unless otherwise agreed, the Products will be delivered under the INCOTERMS 2010 delivery terms. Unless otherwise agreed, the price of the Products does not include the cost of the shipping packaging, the cost of packaging, the loading on the means of transport or the cost of other charges such as taxes, duties, insurance, etc. All these costs are borne by the Client.

(2) The Client is obliged to pay AWEC AP the agreed price of the Products, including any packaging, transport, insurance and assembly costs, unless it is expressly agreed that they are part of the price, based on an invoice that will meet the requirements of a tax document under Act No. 235/2004 Coll., Value Added Tax Act, as amended.

(3) AWEC AP is entitled to demand from the Client a deposit for the Product Price before the start of production. In the event of the Client's delay in the payment of the deposit, the period of performance by AWEC AP shall be extended by the time of this delay of the Client. AWEC AP is also entitled to withdraw from a contract for the delivery of the Product, for which no deposit has been paid.

(4) Unless otherwise agreed in writing, the due date of the invoice shall be 15 (fifteen) days from the date of issue of the invoice, with the invoice usually being issued within 15 days of delivery of the Products. Payment is deemed to have been made on the date the relevant amount is credited to the AWEC AP account specified in the relevant invoice. In the case of partial deliveries, AWEC AP is entitled to issue an invoice for the price for each partial performance. AWEC AP is entitled to reduce the time for maturity of issued invoices to 7 days, if a repeated delay in the payment of liabilities or a substantial deterioration of the Client's property situation occurs on the part of the Client.

(5) The Price of the Products shall be paid by transfer to the AWEC AP account specified in the invoice. If there is a variable or a specific symbol in the invoice, the Client undertakes to state this data when paying. Payment is deemed to have been made on the date the relevant amount is credited to the AWEC AP account specified in the relevant invoice.

(6) In case of a delay in the payment of any invoiced amount, AWEC AP has the right to demand from the Client interest on late payment of 0.05% per day of the outstanding amount for each commenced day of delay until payment. In the event of a delay in payment for more than 30 days, AWEC AP has the right to demand from the Client interest on late payment of 0.1% per day of the outstanding amount for each day of delay that exceeds 30 days until payment.

(7) In the event of the Client's default in the payment of any invoiced amount, AWEC AP is entitled to suspend any other Order of the Client until all Client's debts to AWEC AP have been paid; In this case AWEC AP is not in default with the performance and the Client does not have the right to withdraw from the contract.

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(8) AWEC AP is entitled at any time to set off any obligation to the Client against any Client's obligation to AWEC AP, no matter what legal reason it was created for and regardless of whether it is an existing or future obligation, due or not.

(9) If, after confirming the Order, the price of input materials required for the manufacture of the Products is increased by more than 5%, AWEC AP is entitled to increase the Product Price by an amount corresponding to the price increase of the affected materials. AWEC AP will notify the Client of this increase in price and, together with the notification, will send to the Client documents justifying an increase in the price of the Products as a result of the change in the material prices (original and new price lists or original and new material orders, etc.). The change in the price of the Products shall be effective from the moment of delivery of the notification to the Client.

Section	6	Quality	guarantee,	exercise	of	rights	from	defective	performance
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(1) If the Products are delivered to AWEC AP for transport to a place specified by the Client, the Client shall ensure that the Products are inspected immediately upon delivery of the Products to the destination. If the products are delivered to the premises of AWEC AP, the Client is obliged to ensure that the Products are inspected upon receipt. If it fails to do so, the delivered Products shall be deemed to have been delivered without defects. In case of obvious defects, the Client is obliged to document these defects demonstrably and inform AWEC AP about them in writing, together with the relevant photo documentation of the defects, at the latest on the day of delivery of the Products. In the event of non-compliance with these obligations,

the Client shall not be entitled to claim defects in relation to these apparent defects. If the delivery of the Products is damaged within the transport, the Client is obliged to carefully document this fact directly with the carrier in the vehicle at the moment of the takeover of delivery and to draw up a report detailing the extent of the damage.

(2) AWEC AP grants to the Customer, for non-obvious defects, a Product Quality Guarantee of 6 months from the delivery of the Products. The warranty applies only to defects in Products that have been subject to the conditions of proper storage, professional assembly, handling, maintenance and operation in accordance with the AWEC AP guidelines. The warranty period starts from the delivery of the Products to the Client or the carrier.

(3) AWEC AP shall not be liable for defects and functionality of the Products or for any damages resulting from the use of materials and materials supplied by the Client. In the case of Products manufactured by AWEC AP according to documentation or materials supplied by the Client, AWEC AP is not obliged to check the correctness, suitability and completeness of the documentation or materials supplied by the Customer and does not assume any responsibility for such documentation (or the use of such materials), or for compliance with the legislative conditions for the distribution and use of such Products. The Client's documentation shall also be deemed to include the Client's documentation reworked by AWEC AP for production purposes unless the underlying Product Concept is changed. The Contracting Parties exclude the application of the provisions of Section 2594 of Act No. 89/2012 Coll., The Civil Code.

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(4) Product defects must be claimed within the warranty period immediately after the defect has been discovered, but no later than seven (7) days from the date of the defect detection. The application of defects (claims) must be sent to AWEC AP in writing and must contain the exact specification of the claimed Product (including identification data, e.g. drawing number), quantity, defects found, date, method of defect detection and its manifestations. If the Client fails to report the defect properly and on time, it loses the rights of defective performance against AWEC AP.

(5) If the Client discovers a defect, it is obliged to immediately take such measures to minimize further damage to the Product, the machine and the emergence of other possible damage.

(6) In the event of a properly made complaint, AWEC AP undertakes to ensure the inspection of the claimed defect of the Product without undue delay. Unless otherwise agreed, the Product claimed will be shipped to the AWEC AP for this purpose, subject to appropriate testing to determine the existence and cause of the defect. The method of shipping will be agreed between the parties. Shipping costs are paid by AWEC AP in case of a justified claim. The Client is obliged to provide AWEC AP with all necessary cooperation for the purpose of verifying the defects and removing the justifiably claimed defects.

(7) If a claim is acknowledged, defects in the Product shall be remedied free of charge by repair or delivery of a new Product or part thereof, as selected by AWEC AP. If AWEC does not remove the defect within 60 days from the written statement of claim, the Client may solely request a reasonable discount from the Product Price in accordance with the agreement of both Contracting Parties; the Client is not entitled to a discount if the delay in the removal of the defect occurred as a result of the Client's delay in providing AWEC AP cooperation.

(8) If it is stated in the instructions of AWEC AP or the written Product Use Manual that the Product requires regular professional maintenance and service, such maintenance must be made and written records of its performance created, otherwise the quality guarantee will expire.

(9) In the event that a dispute arises between the parties as to whether a Product defect is covered by the quality guarantee, the parties shall designate an expert or other generally recognized specialist in the field to assess the defect and determine whether it is a defect for which AWEC AP is responsible or not The costs associated with the preparation of the expert's opinion or professional viewpoint of a generally recognized specialist in the given field shall be borne by the Contracting Party whose opinion of the defects according to the expert opinion or professional viewpoint failed. The deadline for the removal of defects in the Product pursuant to paragraph 7 of this Article in the event that the claim proves to be justified by an expert viewpoint or professional viewpoint begins to run on the date of delivery of this opinion or viewpoint of AWEC AP.

### Section 7 Other arrangements

(1) If the Products or a part thereof are made on the basis of documents supplied by the Client, the Client undertakes to ensure the appropriate rights to use these documents to the extent necessary and shall be liable for all damages (including lost profits, reimbursement of costs, legal representation, court costs and other fees) that would be incurred by AWEC AP in connection with such use of such documents and undertakes to pay them in full to AWEC AP. AWEC AP shall not be liable for any breach of any other

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industrial or other intellectual property right as a result of the manufacture and / or use of the Products in accordance with the documents supplied by the Client under any jurisdiction where the breach may occur.

(2) Drawing documentation, models, technical documentation and any other technical information and documentation submitted between AWEC AP and the Client for the purposes of production and delivery of Products may not be used for any other purpose without the prior express consent of the party which provided these documents and handed them over to the other party. In particular, such documents may not be copied, reproduced or made available to any third party without the prior written consent of the party providing the supporting documents.

(3) Unless the Parties expressly agree otherwise, the technological procedures, documentation and technical information relating to the production of Products, with the exception of documents supplied by the Client, are the intellectual property of AWEC AP.

(4) The Client may not, without the prior written consent of AWEC AP, surrender, transfer or assign to any third party any of its obligations or rights under the contract to which these GTCS are part. Furthermore, without prior written consent of AWEC AP, the Client may not set off any of its receivables from AWEC AP against any AWEC receivable from the Client. The Client expressly declares that it assumes the risk of changing circumstances.

(5) The Contracting Parties undertake to maintain confidentiality with respect to any information concerning the Contracting Parties that has been obtained, directly or indirectly, from the other Contracting Party in connection with the conclusion of the Contract and the performance of the Contractual Obligations, and not to disclose it to third parties, except for its communication to the extent necessary to ensure proper performance of the contract. The Contracting Parties undertake to ensure the protection of confidential information, including the provision of adequate technical and organizational means to protect such confidential information, in order to protect it against unauthorized or unpermitted use or transfers. In the event of a separate confidentiality agreement or agreement on the protection of confidential information, the provisions of this separate agreement shall prevail over this confidentiality clause in the event of discrepancies.

(6) The following shall not be considered as confidential information under the preceding paragraph of this Article:

(i) information that is or becomes generally known or publicly available for any reason other than a breach of the confidentiality obligation under this contract;

- (ii) information whose disclosure is foreseen by the contract (e.g. references);
- (iii) information, where:

(a) there is a legal obligation to disclose confidential information to a court or other public authority; or either party may suspect that the other party has committed a criminal offense against the life, health, human dignity, or personal freedom,

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(b) confidential information is communicated to a person who is himself/herself bound by a statutory obligation of confidentiality; especially if it is a lawyer or other professional adviser or (c) they are communicated for the purpose of performing the obligations under this contract.

(c) they are communicated for the purpose of performing the obligations under this contract.

#### **Section 8 Final Provisions**

(1) All relations arising from the delivery of Products under these GTC shall be governed by the law of the Czech Republic. The Contracting Parties agree that the legal relations in the delivery of Products under these GTCS shall be governed by the provisions of Act No. 89/2012 Coll., The Civil Code. The UN Convention on Contracts for the International Sale of Goods is not applicable.

(2) The territorial jurisdiction of the court for all disputes arising out of or in connection with the deliveries of Products under these GTCS shall be governed by the seat of AWEC AP. However, AWEC AP is also entitled to assert its claims at the General Court of the Client.

(3) These GTCS are an integral part of the contract concluded between AWEC AP and the Client; they exclude the simultaneous use of other business terms and conditions on the contractual relationship between AWEC AP and the Client, which is subject to these GTCS, and are available on the AWEC AP website - www.awec.cz.

These GTCS are effective from 1 May 2019

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