

General Business Terms and Conditions

I. General provisions

1.1. Contractual relationships between **Styrotrade, a.s. or Styroprofile, a.s.** (hereinafter jointly or each individually referred to as the Seller) and the Buyer shall exclusively be subject to these terms and conditions of sale and delivery (hereinafter referred to as the Conditions).

1.2. Relationships not stipulated in these Conditions and a contract or the Master Purchase Contract shall be governed by the Civil Code (Act No. 89/2012 Coll.).

1.3. The Seller reserves the title and copyright, as well as the right related to a trademark, to all provided data and documents.

1.4. Orders received by the Seller shall be legally binding as at the moment when accepted by the Seller. In the event that the Buyer has specific requirements in terms of quality or ordered goods that deviate from the Seller's standards, such requirements must be specified in the order.

1.5. N/A

1.6. If for reasons on the Buyer's part the Buyer fails to fulfil his contractual obligation in full or in part, the Seller shall be entitled to claim damages therefrom incurred. The Seller shall not be obliged to redeem goods supplied based on a contract partially performed at the Buyer's fault.

1.7. Goods manufactured by the Seller according to the Buyer's individual requirements must be purchased and duly paid by the Buyer, unless agreed otherwise by contract.

1.8. The Seller shall be entitled to suspend supplies of goods to the Buyer, though under a contractual obligation, without any claims arising therefrom to the Buyer, if the Buyer is late with payment of due invoices or if the Buyer exceeded the approved Credit Limit. The same applies if the Buyer otherwise violated the obligations contained in the master purchase contract, purchase contract, confirmed order or invoice. For cases when the Buyer is more than 10 days late with payment of an invoice, the Seller shall not be bound to the concluded contractual relationship in respect of quantity, prices or terms stipulated by contract in any manner whatsoever. Nonetheless, the Seller's rights to consequences and sanctions implied by contract or law as agreed under the contractual relationship shall not expire.

1.9. In accordance with the provisions of Sec. 14, paragraph 1 of Act No. 634/1992 on Consumer Protection, as amended, we would like to inform you that the Czech Trade Inspection (www.coi.cz), or an entity designated by the Ministry of Industry and Trade (www.mpo.cz), is the authority having jurisdiction over out-of-court resolution of consumer disputes in respect of our offered goods and services.

1.10. Terms and conditions agreed under a contractual relationship between the Seller and the Buyer, if explicitly agreed, shall always have priority over these terms and conditions of sale and delivery.

II. Purchase price

2.1. The purchase price shall always be determined according to the Seller's pricelist valid as at the date of accepting the order or based on a separate arrangement between the parties – hereinafter referred to as the "Contract" or "Contracts". The purchase price does not include transport fees, unless the specific contract or pricelist stipulates otherwise.

2.2. The cost of non-standard packaging as required by the Buyer is not included in the price and shall be charged separately.

2.3. The pricelist of the Seller's offer shall be binding until revoked or amended by the Seller. The same applies by analogy to separate Contracts.

2.4. The Seller shall be entitled to increase prices of goods unilaterally in the event of a provable increase of production costs at no fault of the Seller. The Seller shall inform the Buyer about changing the prices generally 14 days before the effective date of the new prices; the Seller shall be entitled to change the price immediately in reasonable cases of market disruption.

III. Payment terms and conditions

3.1. The Seller and the Buyer usually stipulate detailed payment terms and conditions by entering into a master purchase contract, purchase contract, or confirming an order. If not, the general payment terms and conditions stipulated in the following paragraphs of the Conditions shall apply.

3.2. The Buyer undertakes to pay the purchase price in a proper and timely manner. Pursuant to Sec. 1957, paragraph 1 of the Civil Code, the date of payment for goods shall be deemed the date when the funds are credited in the Seller's account. Without any further claims towards the Seller, the Buyer agrees with suspending the supplies in the event that the Buyer is late with payment of any of his obligations to the Seller. In this regard, the contracting parties explicitly agreed that provisions of Sec. 1913 of the Civil Code shall not apply. The Seller shall be entitled to issue invoices even for realized partial supplies under the contractual relationship, meeting the requisites of a tax invoice. **Unless agreed otherwise, maturity of tax invoices issued by the Seller shall be 14 days from the date of taxable supply, i.e. supply of the goods.** A tax invoice shall include clearing of advance payments made. The contracting parties agreed that pursuant to Sec. 2002, paragraph 1, second sentence of the Civil Code, they deem a failure to make payment for supplied goods in the agreed time a material violation of the purchase contract with possible immediate withdrawal of the Seller from the partial purchase contract and master purchase contract. Payment accepted from the Buyer shall not prevent the Seller from accepting and accounting for the received payment as settlement of an earlier due and payable obligation (obligations) of the Buyer, and – at the Seller's discretion – first against accessions from such earlier due and payable obligation (obligations) of the Buyer.

If under the terms of a purchase contract the Buyer becomes in any manner entitled to a discount on the price of the goods (a bonus, rebate etc. - an obligation of the Seller / receivable of the Buyer, hereinafter referred to as "discounts"), yet at the same time the Buyer has any obligations to the Seller past due, the Seller shall be entitled to set off the Seller's obligations against any receivable (however not due yet) of the Buyer.

The Seller shall always inform the Buyer in writing about setting off mutual obligations. If a purchase contract stipulates payment terms in the form of advance payments, the goods shall only be released if the amount was credited in the Seller's account in full. Complaints regarding the goods shall not entitle the Buyer to not fulfil the payment terms that he undertook in the purchase contract. Provisions of Sec. 2108 of the Civil Code shall not apply in such a case. For cases of late payment of the price of goods, the Seller shall be entitled to interest on late payment at the statutory annual rate applied to the amount due.

This shall be without prejudice to the Seller's right to claim damages; thus, provisions of Sec. 1971 of the Civil Code shall not apply.

3.3. If the Buyer is more than five (5) calendar days late (with any payment), the Seller shall be entitled to withdraw from the part of the contractual arrangements that concern any discounts granted by the Seller to the Buyer, effective retroactively for the relevant calendar year.

3.4. If the Buyer violates any contractual arrangements, in particular if the Buyer fails to comply with maturity, the Seller shall be entitled to change (shorten) the agreed maturity or refuse any maturity and to deliver goods to the Buyer only against an upfront payment for the goods. If the goods are tailored goods, the Seller shall be entitled to order production of the goods only after receiving payment for such goods.

3.5. Unless both sides have agreed on other terms, it is considered that the price is always arranged without the VAT (value added tax). The VAT is going to be added to the seller and expressed in the tax invoice in its current value in the day of the chargeable event, although that is not valid in the case of reverse charge.

IV. Term of performance

4.1. The term of performance shall be stipulated in the purchase contract or by Seller's confirmation of an order. In these terms, the Seller undertakes to supply the goods to the Buyer and the Buyer undertakes to purchase the goods.

4.2. In the event that the Buyer fails to comply with the contractual terms for purchase of goods, the Seller shall be entitled to (a) determine a new term to start the purchase, however not later than within 1 week from the original agreed date of purchase, and (b) reevaluate the goods according to the current price. In the event that the Buyer fails to purchase the goods in this term, the Seller shall be entitled to transfer the goods to the free product exchange and sell them. In reasonable cases of failure to comply with the terms for purchase of goods by the Buyer (including a carrier appointed by the Buyer), the Seller reserves the right to charge storage and handling fees to the Buyer.

4.3. Performance of a contractual obligation starts as of the date when the Seller realizes the first delivery or when the Buyer settles an advance invoice, unless stipulated otherwise by contract. In the event of agreed advance payments, the deciding date for the performance is the date of crediting the agreed amount in the Seller's account.

4.4. The Seller's obligation to deliver shall cease if the Buyer is late with payment for purchased goods or late with an agreed advance payment. In the event of unsettled partial advance as agreed, the Seller's obligation to deliver shall cease to the extent of the unsettled portion of the advance payment, and the related and agreed Buyer's right to receive discount on the price of goods shall expire.

4.5. In the event of late delivery of goods at Seller's fault the Buyer shall be entitled to set additional time for delivery of at least 2 weeks. In the event that the Seller fails to comply with this term, the Buyer may withdraw from the contract without any compensation. The notice of withdrawal must be made immediately after expiration of the additional term and in writing. For cases of objective causes, the Buyer shall not be entitled to claim any sanctions or compensations in connection with a failure to deliver the goods.

V. Delivery of goods

5.1. Supply or partial supply is fulfilled as at the moment of loading and delivery of the goods for transport (to the first carrier).

5.2. In the event that the Buyer fails to accept ready goods in the agreed term or according to a notice to accept the goods, the Seller shall be entitled to store the goods for 7 days at Buyer's cost and risk. Provisions of the last sentence of paragraph 4.2. of the General Conditions shall reasonably apply.

5.3. In the event of own transportation, the Buyer undertakes to secure takeover and acceptance of the goods from the Seller at the production plant within the term as stipulated in the notice to accept the goods.

5.4. If the Buyer employs a carrier to take over the goods, the carrier shall be obliged to show his authorization to accept the goods; if the carrier fails to submit his authorization, the Seller shall not be liable for damages caused by unauthorized acceptance of the goods, and when in doubt it shall be deemed that the Seller complied with his obligations under the purchase contract.

5.5. The Buyer undertakes to provide precise transport instructions when signing a purchase contract. Any changes to the instructions must be made in writing, not later than 3 business days before shipping the goods.

5.6. Upon performance of supplies with transportation arranged for by the Seller, the Buyer undertakes to ensure quality and safe road access to the place of unloading of the goods. Extra unloading costs or damages to the carrier's property incurred by failure to comply with this duty, including Seller's failure to fulfil the supply for this reason, if any, shall be borne by the Buyer in full.

5.7. A delivery note containing product specifications shall be an integral party of every supply from the Seller.

5.8. The Seller is entitled to refuse release of the goods if the Buyer fails to fulfil any of its financial obligations towards the Seller or any Styrogroup company or if the Buyer's debts to the Seller exceed the agreed credit limit. At request of the buyer, the Seller shall inform the Buyer about the credit limit opened with the Seller. At request of the Seller, the Buyer shall submit its current legal and financial documents showing the current legal and financial situation of the Buyer. If the Buyer fails to purchase the agreed volume of goods in an agreed period of time for reasons on the Buyer's part, such volumes shall not be transferred to the following periods.

5.9. The Seller reserves the right to refuse to sell such quantity of goods and/or products that exceeds the quantities / volumes usually purchased by the Buyer.

VI. Passage of risk

6.1. In the case of supplies of goods with transportation provided for by the Seller the risk of damage to the goods shall pass to the Buyer as at the moment of the Buyer's confirmation of the delivery note at the place of delivery of the goods.

In the case of supplies of goods accepted by the Buyer at the Seller, the risk of damage to the goods shall pass to the Buyer as at the moment of the Buyer's confirmation of the delivery note or the bill of carriage, or by delivery of the goods to the carrier. Before signing the delivery note, the Buyer shall be obliged to inspect the goods in terms of type, quantity and apparent defects. The Buyer must indicate any defects found in the delivery note.

6.2. The Buyer shall be obliged and explicitly undertakes to conduct an acceptance inspection for each and every, though partial, delivery of goods. During the inspection, the Buyer must check with professional care for compliance of the supplied quantity against the delivery note and detect apparent defects of the goods. By signing the delivery note without notes, the Buyer confirms proper delivery and acceptance of the goods in terms of the type, quantity or completeness, and intactness of the supplied goods.

VII. Quality of products – warranties

7.1. The Seller warrants to the -Buyer that the goods meet the quality parameters as stated in the Seller's declaration of properties. The Seller thereby ensures compliance of the quality parameters of his products with valid and declared ČSN standards or other regulations and standards as stated. The Seller declares quality grades of supplied goods in both delivery notes and invoices.

7.2. Pursuant to Act No. 22/1997 Coll., as amended, and government decree No. 163/2002 Coll., as amended, the Seller's goods are tested by an authorized entity. Based on the outcome of such testing system, the Seller issues the declaration of properties.

7.3. Before placing an order or concluding a contractual relationship with the Seller, the Buyer became familiar with the technical, quality and testing conditions of the goods supplied by the Seller. Unless the Buyer claimed and the Seller accepted Buyer's additional technical, quality and testing requirements as part of negotiating the contractual relationship, the Seller shall deem that the supplied goods meet all requirements of the Buyer in all aspects.

7.4. If the Buyer has additional requirements concerning the make, quality and testing of the desired goods, he must specify his requirements in writing as part of the order. If the Seller undertakes to comply with such requirements, he must comply with them in specific supplies of goods. Additionally claimed requirements concerning technical, quality or testing characteristics of goods shall not be handled by the Seller and cannot serve grounds for product claims or refusing acceptance of the goods.

7.5. The Seller represents that goods supplied in accordance with the present conditions of sale and delivery are free of legal defects.

VIII. Product defects – claims

8.1. The Seller shall be liable for defects of goods that exist as at the moment when the risk of damage passes to the Buyer.

8.2. Defects of the goods can be either apparent or hidden. Apparent defects are defects that can be detected by counting the quantity and/or briefly visually evaluating the goods (apparent mechanical damage and defects). Hidden defects cannot be detected by common means and are generally detectable by employing various testing methods.

8.3. When detecting apparent defects (visually detectable) and claiming his rights, the Buyer undertakes to proceed as follows:

a) depending on the scope and severity of the apparent defect, the buyer does not accept the goods during acceptance. The buyer states this fact with proper reasoning in the delivery note to the respective supply of goods.

b) during acceptance of the goods, the buyer identifies the detected defects in the delivery note to the respective supply of goods, submits a written claim as soon as practicable, however not later than within 2 days from acceptance of the goods, and accepts the goods. The buyer leaves the goods in the original packaging until settlement of the claim. If no apparent defects are claimed upon acceptance of goods in the said times, the Seller shall deem that the goods are duly supplied free of apparent defects.

c) the Buyer is obliged to document any defect in photographs.

8.4. Goods having apparent visually detectable defects that could not have been detected during acceptance pursuant to the previous paragraphs of these Conditions due to packaging of the goods and in terms of individual pieces, must not be built in and must be left as when detected in order to prove origin of the goods and nature of the defect, leaving particularly the label identifying the goods, its quality grade and date of production. The Buyer shall be obliged to report such defects to the Seller immediately when found in any manner whatsoever. Written confirmation is necessary to be provided within 48 hours after detected and reported, including photographic evidence.

8.5. Upon detecting hidden defects, the Buyer shall be obliged to report occurrence of such defects to the Seller immediately in writing, stating the nature of the defect, evidence of the findings (testing by a certified testing authority and photographic evidence) and to leave the goods in the conditions and in the structure where detected, until the Seller inspects the defects. The Buyer must allow the Seller to realize any measures leading to gathering data for proper investigation of the hidden defect (sampling, bore holes, etc.).

8.6. A defect occurred due to unprofessional handling, application or use of the goods or another breach of the Seller's installation and technical conditions shall not be a defect of the goods.

8.7. When in doubt, it is agreed that if the goods have material defects, the Buyer's claim under such defects is only limited to possible replacement (of unused goods) or discount on the purchase price; for immaterial defects, the Buyer's claim is only limited to possible discount on the purchase price.

8.8. Apparent defects of goods must be claimed within 1 month from the date of delivery to the Buyer. Hidden defects of goods must be claimed within 1 year from the date of delivery to the Buyer.

8.9. In the event that the Buyer violates the principles stipulated in the provisions of Article VIII of these Conditions or proceeds with another claim method than agreed, the right to performance under liability for defects shall cease.

8.10. Defects of goods must be always claimed in writing.. In the event of violating this principle, the claim shall be legally ineffective and the Seller shall be not obliged to handle it. In the event that the Buyer failed to allow or otherwise prevented the Seller from solving a product defect or repair of the same, or without Seller's knowledge and consent dealt with the defect otherwise, warranties in respect of the goods provided by the Seller including his liability for defects shall cease.

8.11. If the goods have defects, particularly hidden, that have not caused loss of technical, safety and functional characteristics of the goods as at the time when detected and the replacement of which goods would require costs exceeding 50% of the purchase price of the goods, the Buyer shall accept the Seller's right to first provide discount on the price of goods expressing the impairment of quality parameters of the goods, or to realize appropriate professional repair of the goods, or to leave the goods in the structure and to replace the goods at the Seller's cost at the moment when the wear and tear or loss of

functionality of the goods due to the defect will be higher than that tested for and presented in the declaration of characteristics, however only if such a fact occurs in the course of the warranty period.

8.12. Goods having apparent defects must not be built-in. The Seller shall have no liability for consequences of building in such goods.

8.13. Upon unjustified claims of product defects, the Seller shall be entitled to compensation of provable costs incurred in connection with handling the claim and the Buyer shall be obliged to reimburse such costs.

8.14. The Seller shall not be liable for defects of goods due to abnormal or unreasonable use of the goods, unprofessional handling or installation, caused to the Buyer by a third party.

8.15. Also, minor colour discrepancies that may occur as a result of carrying out individual orders or supplementing orders at different times apart cannot be claimed as product defects.

8.16. The Seller shall handle claims within statutory periods of time.

IX. Reservation of title

9.1. The Buyer shall only acquire title to the goods after full payment of the purchase price.

9.2. The Buyer must not pledge unpaid goods or to use it to provide any security, unless with written consent from the Seller. Any set-off by the Buyer against an amount invoiced by the Seller is possible subject to the Seller's written consent only. The Buyer is subject to prohibition of assignment of any receivable from the Seller to a third party.

X. Other arrangements

10.1. Laws applicable in the Seller's territory shall be exclusively binding upon the contractual relationships. If contracts or these Conditions are also written in another language than Czech, for cases of conflicts the Czech version of the relevant document shall always prevail.

10.2. All disputes that would arise out of a purchase contract and in connection therewith shall be solved primarily by agreement. If failing to reach an agreement, both parties are entitled to exercise their right to protection of courts, provided that the parties to this agreement explicitly agreed in respect of court proceedings that property disputes that might arise in the future out of a concluded contract or in connection therewith, including issues of its validity, interpretation, performance or expiration of rights directly arising out of or directly related to such legal relationship, shall be resolved by applying Sec. 89a of the Civil Procedure Code: *„Parties to proceedings in a business case may agree in writing on local jurisdiction of another first-instance court, unless the law stipulates for exclusive jurisdiction. Such an agreement or a certified copy of the same must be submitted along with the action (motion to initiate proceedings).“* **By accepting these Conditions, the agreed court of first instance is the District Court of Prague – east.**

10.3. Any and all changes and amendments to these delivery terms and conditions can be made in the specific case in writing only. The Seller reserves the right to amend these Conditions unilaterally to a reasonable extent. A change to the Conditions shall be announced by publishing a notice on the website of the respective company (www.styrotrade.cz, www.styroprofile.cz) stating the publishing date. The Buyer shall be entitled to terminate a purchase contract and these Conditions upon their unilateral change by the Seller, all within one month from the date of publishing the changes.

10.4. These General Business Terms and Conditions form an integral part of offers, order confirmations, purchase contracts including master purchase contracts, delivery notes and invoices for supplied goods from **Styrotrade, a.s. / Styroprofile, a.s..**

10.5. Compensation of damages – The contracting parties agreed that the Seller shall be obliged to compensate the Buyer for damages always up to the amount of the purchase price as agreed in the individual purchase contracts / partial orders, or up to the value of the supplied goods, in connection with which the buyer incurred damages. Nonetheless, this provision shall be without prejudice to the Buyer's right to claim damages caused by wilful misconduct or gross negligence. Unless stipulated otherwise in this agreement, rights and obligations of the contracting parties, as well as legal relationships arising out of or connected with it shall be governed by applicable generally binding legislation, in particular Act No. 89/2012 Coll., Civil Code, as amended.

10.6. Period of limitation – The contracting parties agree that the Seller's right to receive payment of the purchase price shall not be statute-barred prior to expiration of fifteen (15) years.

10.7. The person signing these General Business Terms and Conditions represents that he/she is authorized to act on behalf of the Buyer.

10.8. Only the statutory body of Styrotrade, a.s./ Styroprofile, a.s. or their proctor is entitled to sign any contractual documents on behalf of the Seller.

These General Terms and Conditions are valid as of **January 1 st, 2023**

Styrotrade, a.s./ Styroprofile, a.s. / Styrogroup, a.s