

## GENERAL TERMS AND CONDITIONS

of **KLUTHE CR s.r.o.**, with its registered office at Praha 9 – Vysočany, Podkovářská 674/2, 190 00, Czech Republic, ID no. 609 12 707, registered in the Commercial Register of the Municipal Court in Prague, Section C, File 265482 (hereinafter „**Kluthe**“)

### I. Scope of Use

1. These General Terms and Conditions (hereinafter the „**GTC**“) apply to all sales of goods by Kluthe to its customers (individually a „**Customer**“), unless expressly agreed otherwise in writing. These GTC do not apply to sales of goods to consumers. These GTC apply to Customers' orders.
2. Any undertakings between Kluthe and Customer which deviate from these GTC shall be made in writing. Any modifications or amendments to a sales agreement entered into between Kluthe and Customer shall be made in writing. Any undertakings between Kluthe and Customer stating that agreements and amendments thereto no longer require a written form, shall be made in writing. In case of conflict, the purchase agreement prevails over these GTC.

### II. Conclusion of Purchase Agreement

1. Kluthe's offers (hereinafter „**Offers**“) are not binding, i.e. Kluthe is not obliged to supply Customer with goods under conditions specified in the Offer. Documents provided together with the Offer are only informative and do not establish any agreement or warranty with regard to the goods concerned. Offers and documents provided therewith may only be disclosed to the parties to which they were addressed by Kluthe. Kluthe's Offers are usually labelled as „price offers“ and include a price offer for specific type of goods and other conditions of supply.
2. Customer may order goods specified in the Offer from Kluthe. Customer's Order delivered to Kluthe binds Customer for the period of 20 days or until rejected by Kluthe (depending on which of these occurs first). Within this time period, Customer may not withdraw or change the Order without Kluthe's consent.
3. Kluthe confirms Customers' Orders in writing. An Order is also deemed confirmed if fulfilled or not rejected by Kluthe within 20 days from its receipt. The sales agreement between Customer and Kluthe is established upon:
  - a) Kluthe confirming the Order, or
  - b) Kluthe delivering goods within 20 days from receipt of the Order, or
  - c) 20 days passing from the Order being delivered to Kluthe and not rejected by Kluthe within this period of time.
4. The sales agreement is governed by conditions specified in the Offer.

### III. Prices

1. All prices are exclusive of value added tax (hereinafter „**VAT**“), i.e. statutory VAT will be added to them.
2. If Customer does not agree with the calculation of price made by Kluthe based on weight, number or quantity of goods, Customer is obliged to notify Kluthe within 7 days from the receipt of the goods. If Customer fails to notify Kluthe as specified above, the calculation made by Kluthe will apply.
3. In case of price graded by volume, Customer will pay the invoiced price regardless of the originally specified graded price.

4. Statutory VAT will be added to all other payments between Kluthe and Customer (e.g. re-invoicing of transportation costs if arranged for by Kluthe via a carrier or a shipper).

### IV. Recommendations regarding Kluthe goods

1. Recommendations made with regard to the use of Kluthe goods is made by Kluthe on the basis of its best knowledge. No information concerning the suitability of the use of the goods relieve Customer of an obligation to carry out its own tests regarding the suitability of goods for the intended use.

### V. Delivery

1. Unless agreed otherwise, deliveries will take place from Kluthe's warehouse or other Kluthe's premises.
2. If the parties agree that goods will be collected by Customer, the risk of damage or loss of goods passes to Customer upon Customer being informed that the goods are ready to be collected. Otherwise, the risk of damage or loss of goods passes to Customer as soon as the goods are handed to the carrier.
3. Kluthe may deliver goods in parts if reasonable.
4. INCOTERMS 2010 selected in the Offer will apply to the delivery.
5. If transportation is to be paid by Customer but is arranged for by Kluthe, Kluthe will reinvoice the costs to Customer. The type and manner of transportation will be selected by Kluthe. Additional costs incurred due to Customer's special requests shall be paid by Customer. In such a setting, Kluthe does assume the rights and responsibilities neither of a forwarding agent nor a carrier and is not responsible for a damage, occurred on the goods during the carriage; without affecting the previous clause, section 2461 of the Civil Code will not apply.
6. Unless specified otherwise in the Offer, the delivery period is 15 working days from the Order being confirmed by Kluthe; if the goods ordered are less than 100 kg in weight or less than 100 l in volume, the delivery period is 28 days from the Order being confirmed.
7. In case of serious and unpredictable problems beyond Kluthe's control, including, but not limited to, delay or closure of supplies by Kluthe's suppliers, interruption of operations due to power failure, shortage in raw materials or workforce, lock-out, strike, transportation shortages and force majeure cases which impact Kluthe or its suppliers, the agreed delivery period will be extended for as long as such constraint may have any impact on Kluthe's ability to deliver the goods. If the goods fail to be delivered within 1 month from the end of the agreed delivery period, both Customer and Kluthe are entitled to withdraw from the Agreement in the part concerning the affected goods; Kluthe will not be liable for damage caused by its failure to deliver goods due to the circumstances specified above.
8. If Customer fails to accept the goods, Kluthe is entitled to withdraw from the Agreement in an additional 7-day period. Kluthe may request that Customer pay all costs of transportation, storage and handling of goods, incurred due to its failure to accept the goods or due to late acceptance of goods.

**VI. Payment**

1. The purchase price is due and payable within 30 days from the receipt of the invoice, unless specified otherwise in the Offer. Payment is deemed made when the respective amount has been credited to Kluthe's account.
2. In case of late payment, Customer will pay Kluthe statutory late payment interest. Kluthe's right to claim full damages incurred due to late payment of purchase price remains unaffected.
3. Payment by a promissory note is only possible after a previous consent of Kluthe. Any costs related to issuance of such promissory note shall be borne by Customer.
4. Payment of purchase price may not be suspended or set off against Customer's monetary claims against Kluthe.
5. In the event Customer repeatedly fails to pay due invoices in time or in the event of other circumstances which may give rise to serious doubts about Customer's solvency, which occur after the sales agreement has been entered into, Kluthe is entitled to claim immediate payment of all due debts. In such an event, all previously placed orders will be completed only after all due invoices have been paid or after Customer provides sufficient security. If, after the conclusion of a sales agreement and before delivery of goods by Kluthe, such circumstances occur which may give rise to serious doubts about Customer's solvency, Kluthe is entitled to refuse delivery of goods unless Customer pays in advance or provides a sufficient security.

**VII. Packaging**

1. Customer will return empty clean returnable packaging materials to Kluthe at its own expense within 4 weeks from the receipt of goods, unless agreed otherwise. If Customer fails to return the packaging materials to Kluthe or returns them damaged, Customer shall compensate Kluthe for any damage incurred. These packaging materials shall be used exclusively for transportation of goods. No labels or other markings may be removed from the packaging materials.
2. Returnable packaging materials are designated as returnable in the Offer.
3. Unless returnable packaging materials are returned to Kluthe within 12 weeks from the delivery of goods, they will be from the 13th week considered leased to Customer for the following rates:
  - a) € 0,50 for every commenced 100 kg of packaging capacity per each commenced month;
  - b) € 0,25 € per can or another kind of container per each commenced month.
4. Costs incurred by Kluthe to clean returned packaging materials which should have been cleaned by Customer, will be reimbursed to Kluthe by Customer.
5. Packaging materials may in no case be used to package, return or store goods or contaminated dissolving agents or for any other unsuitable purpose. Actual costs spent by Kluthe on cleaning packaging materials because this obligation above was breached by Customer, will be charged to Customer.
6. Kluthe is entitled to stop accepting returned packaging materials from Customer. If Kluthe ceases to accept returned packaging materials, it will inform Customer.

**VIII. Inspection of Goods; Obligation to Notify Defects**

1. Customer is obliged to inspect the goods immediately upon their delivery and immediately, within 7 days from delivery of the goods at the latest, notify Kluthe of any defects in writing. Hidden defects shall be notified to Kluthe within 3 working days from their identification.
2. If Customer fails to inspect the goods and notify Kluthe as prescribed in the previous paragraph, the goods are accepted with no reservations. To the extent, the goods have been accepted with no reservations, Customer is not entitled to any defect or damage claim arising out of a defect, unless such claim is based on intentionally hidden defects.
3. Customer is obliged to carry out a test of intended use of the goods at its own expense. This is in particular necessary if Kluthe goods are to be mixed with dissolving agents, hardeners, colour additives or other agents not supplied by Kluthe.
4. Unless such test is carried out as described above or in a due manner, Customer is not entitled to claim any defect claim or damage claim arising out of the defect to the extent such a test could have prevented such defect or damage. Kluthe's liability is limited as set forth in these GTC.

**IX. Liability for Defects**

1. If the goods have defects at the moment the risk of damage or loss of goods passes to Customer, Customer is entitled to a substitute supply or replacement of goods. If such substitute supply or replacement are not possible or are only possible with excessive costs, or if the replaced goods also prove to be defective, Customer shall have rights set forth in the following paragraph. Excessive costs are to be understood as costs exceeding 10 % of the value of the goods at the moment the risk of damage or loss of the goods passes to Customer.
2. Unless Kluthe is able to remove the defect within a reasonable period of time, Customer is, at its own discretion, entitled to request a discount from the purchase price or withdraw from the sales agreement. If it may not be reasonably required from Customer to accept a substitute supply or replacement of goods, Customer is entitled to proceed in accordance with the first sentence of this paragraph. The right to withdraw from the sales agreement and the right to claim damages is excluded in case of minor defects.
3. The limitation period for assertion of rights arising out of defects is one year.
4. Even if Customer resells goods supplied by Kluthe to the end user or another buyer, Kluthe is only liable for defects and damages arising thereof only to the extent set forth in these GTC. If Customer breaches its obligation to duly and timely inspect the goods and notify any defects to Kluthe under Art. VIII GTC, no defect claims or damage claims arising out of defects may be raised against Kluthe.
5. Kluthe will not be liable for any damage caused by the use of the goods not duly tested by Customer in accordance with the current state of science and technology.

**X. Damage Liability**

1. Kluthe's liability for damage caused by the breach of the sales agreement, caused in connection with performance of the sales agreement or by any action preceding the conclusion of the sales agreement, is always limited to the extent of reasonably foreseeable damage.
2. If Kluthe goods are mixed with dissolving agents, hardeners or colour additives or any other agents which were not supplied by Kluthe, or if such agents are used together with Kluthe goods, Kluthe shall be liable for damage only if such agents were completely without defects and suitable for the intended use and if Kluthe goods were used in accordance with the appropriate processing technology.
3. The limitation period for damage claims raised due to the breach of the sales agreement, caused in connection with performance of the sales agreement or by any action preceding the conclusion of the sales agreement is one year.

**XI. Reservation of Title**

1. Kluthe reserves the ownership title to the goods until the purchase price has been fully paid.
2. In case the goods are mixed with products owned by third parties, Customer hereby transfers the co-ownership of the newly produced product to Kluthe in order to secure the payment of the purchase price; Kluthe's share in the newly produced product shall correspond to the share of Kluthe goods in it. Customer will pay Kluthe any costs which might arise in connection thereto.
3. In order to secure payments under the sales agreement, Customer, upon entering into the purchase agreement, pledges to Kluthe all the claims Customer will have from selling Kluthe goods to third parties. In case Customer mixes or joins Kluthe goods with goods of a third party, Customer, upon entering into the sales agreement, pledges to Kluthe a part of its claim against such third party up to the amount invoiced for the goods delivered by Kluthe. The pledge created under this paragraph secures Customer's debts to Kluthe up to the principal sum of EUR 1,000,000 coming to existence at anytime before 2030.
4. At Kluthe's request, Customer is obliged to provide Kluthe with all information on the quantity and state of goods owned by Kluthe and of Customer's claims against third parties pledged to Kluthe, and inform its customers of such pledge.
5. Customer is obliged to treat goods owned by Kluthe with due managerial care and secure such goods at its own expense against any damage or loss. Customer hereby assigns to Kluthe all rights arising out of insurance policies concerning the goods. Kluthe hereby accepts such rights.
6. In the event that Customer is late with payments for goods, Customer is obliged to return all unpaid goods to Kluthe as soon as Kluthe requests it. For this purpose, Kluthe representatives are entitled to enter premises used by Customer and take such goods.
7. Should Kluthe's reservation of title be void under the legislation of the country where the goods are stored, Customer is obliged to provide Kluthe with appropriate security. If no security is provided, Kluthe is entitled to request immediate payment of all outstanding claims.

**XII. Confidentiality**

1. Customer will keep the Offer confidential and will not disclose any information provided in the Offer or in connection with the Offer to third parties, even if no supplies take place between Kluthe and Customer.
2. Customer will not disclose any information obtained in connection with its business relationship with Kluthe which are not publicly available to third parties. Such information include, but are not limited to, information on prices of goods and composition of goods sold by Kluthe and information on processes used in manufacturing and use of goods.
3. The obligation to keep information confidential under this Article survives for 10 years from the last supply of goods by Kluthe, and if not goods were delivered, for 10 years from the end of the time period for which the Offer was applicable.

**XIII. Personal Data Protection**

1. By purchasing Kluthe goods, Customer grants its consent with processing its personal data Kluthe gains access to during or in connection with their business relationship, regardless whether such data come directly from Customer or from third parties. Personal data are processed in compliance with applicable legislation of the Czech Republic.

**XIV. Governing Law and Jurisdiction**

1. The location for performance of obligations arising out of a sales agreement or another contractual relationship entered into between Customer and Kluthe is the place from which the goods were shipped and in case of payments, Kluthe's registered office.
2. Any disputes between Kluthe and Customer (including disputes regarding the compensation for damage) will be resolved by the courts of the Czech Republic.
3. The contractual relationship between Kluthe and Customer is governed exclusively by the laws of the Czech Republic. Any claims for the compensation for damage between the Customer and Kluthe are governed by the law of the Czech Republic as well.
4. The United Nations Convention on Contracts for the International Sale of Goods will not apply between Kluthe and Customer.

**XV. Miscellaneous**

1. If any provision of these GTC is or becomes null or ineffective, all other provisions and the sales agreement between Kluthe and Customer remain unaffected.
2. Kluthe and Customer undertake that every such null or ineffective provision of these GTC will be replaced by a new provision as close as possible to the business intention of the original provision. This also applies to any possible loopholes in these GTC.