

General Terms and Conditions of KOVOLIT Česká, spol. s r.o.

1. The Seller undertakes to deliver goods specified in quotation to the Buyer, to transfer the ownership of these goods onto the Buyer and the Buyer undertakes to take over the goods and services associated with the delivery of the goods and pay the purchase price. The purchase contract is formed by written confirmation of the delivery date, which is usually done electronically.
2. The Seller undertakes to properly fulfil this contract in agreed extent according to the relevant offer and also within the agreed delivery period. Fulfilment of the delivery date is dependent on proper and timely cooperation of the Buyer, in case of non-cooperation on the part of the Buyer, the delivery term is extended by an adequate period corresponding to the time of non-cooperation of the Buyer. Within this delivery period, the Buyer is obliged to accept the delivery of the goods.
3. It is agreed that the Seller fulfils his obligation to deliver the goods according to the concluded contract by handing the goods over to the Buyer. Part of the handover of the goods to the Buyer is a delivery note. Handing over the goods to the Buyer means the handover of the goods to the Buyer at the place of performance, which is the registered office of the Seller, unless otherwise agreed.
4. In case of new kinds of alloys, the price is determined based on theoretical weight, real weight is stated by weighting of the raw alloys during the sampling process before first delivery and possible variations of real weight from the theoretical weight will be projected into the contracted price. The variable MTZ surcharge changes via invoicing according to market development of input material and based on developments of energy market. Usually, the MTZ surcharge changes in regular quarterly cycles. If the development of the input prices is abrupt, it is necessary to react to such situation operatively and adjust MTZ value according to the relevant situation even in a shorter interval. If the Buyer and the Seller agree that adjustments are to be made to the delivered goods, the Seller is entitled to payment for these modifications to the goods. This payment will be negotiated in the form of an amendment to the offer, thus a new order and a newly concluded purchase contract. Unless otherwise stated in the contract, the prices are agreed in the EXW Česká delivery term according to Incoterms 2020. The price does not include the Seller's costs necessary for the proper execution of the delivery, such as freight, postage, packing, insurance, taxes and similar charges (excluding VAT).
5. The Buyer is obliged to pay for the goods by 30 days after the contact fulfilment at the latest, unless stated otherwise.
6. If an advance payment prior to the delivery of the goods is agreed in the contract, the date of delivery of the goods is tied to its payment. If the advance payment is not paid by its due date, production will be commenced within ten working days from payment.
7. The risk of damage to the goods passes to the Buyer at the moment of handover of the goods to the Buyer or carrier.
8. If the dispatch of the goods by the Seller is arranged, the obligation to deliver the goods is fulfilled by handing over the goods to the first carrier at the place of loading for transport to the Buyer to the destination according to transport instructions, according to the usual customs and on behalf of the Buyer. From the moment of handing over to the first carrier for

transport, the risk of damage to the goods passes to the Buyer if he arranges the transport himself.

9. The Buyer is obliged to perform actions needed according to the contract and Civil Code, in order for the Seller to deliver the goods. The Buyer is always obliged to take over the delivered goods unless it follows from the concluded contract or the Commercial Code that he may refuse to accept it under certain conditions.
10. The ownership to the goods is transferred from the Seller onto the Buyer only by complete payment of the price.
11. Method of transport, loading, transport disposition: the parties agreed that the obligation to mark the goods is fulfilled by filling in the transport and delivery documents accompanying the goods, the goods will be packed (provided for transport) in the manner customary in the course of trade for the transport of the agreed goods. Model equipment of larger dimensions as well as large castings can be delivered in bulk on a pallet.
12. The Buyer is obliged to notify the Seller of defects in the delivery in writing without undue delay after discovering the defects. Minor or insignificant defects do not result in the postponement of the obligation to pay the purchase price. The Seller is responsible for defects in the goods that the goods have at the moment when ownership of the goods passes to the Buyer. The Seller is also liable for defects that arise after the transfer of ownership of the goods to the Buyer if this defect was caused by a breach of the Seller's obligations.
13. A contractual penalty for delay in fulfilling financial obligations arising from the concluded contract is hereby agreed in the amount of 0.05% of the outstanding amount for each day of delay. The total amount of contractual penalties and damages for any delay is limited to 10% of the purchase price of the undelivered goods.
14. Both parties undertake to maintain confidentiality of confidential information, i.e. information of a commercial, production, economic or technical nature, which is not commonly available in business circles with which the parties came into contact when securing the subject of performance of the contract. Both parties undertake not to disclose or use these facts and information to other entities for themselves or for any other third party. Both parties undertake to keep these facts and information strictly confidential and to disclose them exclusively to their employees and subcontractors (e.g. model manufacturers, machining suppliers, etc.) who are linked with the performance of the contract, and on this basis they are entitled and obliged to become acquainted with these facts to the extent necessary and also to maintain confidentiality.
15. Other rights and obligations of the contracting parties are governed exclusively by the laws of the Czech Republic, in particular by the relevant provisions of the Civil Code in the version in force at the time of conclusion of the contract.

In Česká, November 1st, 2022

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Ing. Radan Potácel, Managing Director