

General Terms and Conditions of Supply of Products by the company

TISKÁRNA GRAFICO s.r.o., VAT: 25885839

(hereinafter „Terms of supply“)

version [2], valid from 1st November 2022

I. Application of the Terms of supply

1. These Terms of supply specify terms and conditions of the supplies of goods and services (hereinafter also referred to as “the Products”) by the Supplier to the Customer.
2. The Supplier means the company TISKÁRNA GRAFICO s.r.o., ID: 25885839, registered office Opava – Kylešovice, U Panského mlýna 1438/33, ZIP: 74706, incorporated in the public register with the Regional Court in Ostrava, Section C, file 24238.
3. The Customer means any legal or physical entity that holds a licence to operate in any line of business, being party to a contractual relationship with the Supplier, established in a manner mentioned below, or established by any other means, provided such a legal or physical entity has undertaken the obligation to take goods from the Supplier, or the Supplier is obliged to perform work or a service for such an entity.
4. These Terms of supply form an integral part of all the agreements made by and between the Supplier and the Customer, whose objective is supply of the Products. Together with the Contract the Terms of supply represent complete agreement of the Contracting Parties.
5. Any written or oral representations, warranties, negotiations, tenders, announcements of intentions and business practices not expressly mentioned or referred to in the Contract or in these Terms of supply will not be legally binding for the Contracting Parties.
6. The Contracting Parties hereby expressly agree that the Customer’s terms and conditions will not be applied to the contractual relationship governed hereby, unless a relevant contract states expressly otherwise.
7. The Contracting Parties hereby declare that in their legal relations they do not consider usages of trade followed generally or within a given industry, and the usages of trade have no preference in their legal relations over the provisions of the Civil Code, without enforcement effect, but used only in the case when the Civil Code does not stipulate a specific situation.
8. These Terms of supply shall be applied to all the business papers of the Supplier, i.e. Also to its offer, acceptance of the offer etc.
9. The Customer hereby acknowledges that these Terms of supply are applied in a wide range of the Supplier’s business relations, from contracts for work to nominate contracts. Considering the above-mentioned fact, they include individual articles and clauses without a specific effect on the given business relationship. However, this in no way means lack of intelligibility or certainty, or invalidity

of these Terms of supply or their individual clauses for any other reason.

II. Contract

1. By means of the Contract the Supplier undertakes to deliver the Product to the Customer, and to transfer ownership title to the Product, and the Customer undertakes to accept the Product, take over the ownership, and pay the agreed contractual price. Apart from the delivery of the Product the Supplier can be obliged by the Contract to make and subsequently deliver the Product.
2. The Contract is made at the moment when the draft agreement (order or RFQ) is accepted. For the avoidance of doubt the Contracting Parties hereby state that such acceptance shall be unconditional, i.e. in the event when the acceptance includes changes of the draft agreement in any way (be it an unsubstantial modification), this will be considered a new draft agreement that will have to be accepted. In case there is no acceptance, but performance takes place according to the previous (original) draft agreement, the Contract will be considered concluded as if the acceptance did not deviate from the original draft. The Contracts shall be made in writing. Regarding the customers with whom the framework agreement, or so-called yearly order is concluded in writing, the written form obligation is met by sending the customer’s order via electronic means (email, fax), and confirmation also via electronic means (email, fax).

III. Contractual price and terms of payment

1. The Customer is obliged to pay to the Supplier the contractual price agreed between the Contracting Parties in the Contract. The Customer is obliged to pay for all the Products delivered in excess of the quantity agreed in the Contract (however, up to maximum 2% of extra Products). The Customer, according to the provisions of Section 1765.2 and Section 2620.2 of the Civil Code accepts the risk of changed circumstances. The prices are always agreed excl. value added tax (VAT); where the Customer is not a VAT payer, this fact shall be expressly mentioned in the draft agreement, or acceptance of the same.
2. If the Contract does not state otherwise, the Contract cannot be made without an agreed contractual price, or method of its determination, however, if such a Contract was made, the Contracting Parties are considered agreed on payment of the usual price.
3. In case the price exceeds CZK 100,000, or the Contract is made with a new customer, the Supplier will be entitled to request advance payment for the contractual price up to the amount of 80% from the contractual price, and the Customer will be obliged to pay the advance. In the period of the Customer’s

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default on payment of the advance the Supplier will not be in default on performance of its obligations, and the term of delivery of the Products will be prolonged accordingly.

4. The claim to payment of the contractual price shall arise to the Supplier at the moment of delivery of the goods to the Customer.
5. In the event the Contract has the character of a long-term contractual relationship with repeated deliveries, namely on the basis of framework agreements or contracts for delivery of higher quantities of Products distributed throughout a period of time longer than 12 months from the date of making the Contract, the contractual price for the given Product will be additionally and automatically increased proportionally to the increased purchasing costs of the Supplier.
6. Payment of the contractual price shall be made by the Customer on the basis of a regular or proforma invoice issued by the Supplier. The invoices issued by the Supplier on the basis of a Contract is 14 calendar days from the date of issuance. Proforma invoices will be due in 5 days. The moment of payment of the invoiced amount is the moment when the amount is credited to the Supplier's bank account in full. The Customer is obliged to pay such an amount and within such a time so as to make sure the due sum is paid to the Supplier by the due date.
7. The invoices shall include prescribed particulars. Only in the event when an invoice does not include the particulars under applicable laws the Customer will be entitled to return the invoice to the Supplier within 3 business days from delivery to the Customer. In such a case the payment term will start on the date of delivery of a new, corrected invoice. When an invoice is returned after expiration of the above-mentioned period of time, the original due date of payment will not change.
8. The Contracting Parties hereby expressly agree that the Customer is not entitled to defer any payment of a part of the contractual price for the reason of defects of the Product, or other alleged claims against the Supplier.
9. In case of the Customer's default on payment of any part of the contractual price:
 - a. the Supplier will be entitled to request from the Customer, and the Customer will be obliged to pay to the Supplier contractual interest on late payment in the amount of 0.05% (five hundredths of a percent) from the owed amount for every started day of default; and
 - b. the Supplier will be entitled to suspend performance until the amount due is paid, whereas the Customer will be obliged to compensate the Supplier for any damages,

costs and expenses incurred by the Supplier; the Supplier will have the right to suspend all performance based on mutual business relationship with the Customer, and

- c. should the Customer fail to pay the contractual price or any part thereof within 30 calendar days after the due date, the Supplier will be entitled to terminate the Contract. In such a case the Customer will be obliged to compensate the Supplier for any damages, costs and expenses incurred by the Supplier.

IV. Product requirements

1. The Supplier is obliged to deliver Products according to the quantity agreed in the Contract. The quantity mentioned in the Contract is approximate, and the Contracting Parties hereby agree that the quantity of actually delivered Products can deviate $\pm 2\%$ from the stated quantity. The Customer shall consequently pay the contractual price for the quantity of Products actually delivered. The delivery of Products shall explicitly not include the delivery of die cutting moulds (hereinafter referred to as "Blades"), even if they have been invoiced to the Customer, unless the Contracting Parties explicitly agree otherwise.
2. The Supplier is obliged to deliver the Product in the quality and form defined in the Contract, or in the quality corresponding to the agreed execution technology, used materials and printing specifications. When the quality and form are not expressly defined in the Contract, the Supplier is obliged to deliver the Product in the quality and form corresponding to standard quality and execution of the given Product.
3. All the data and other information included in any form in Product documentation and/or in the Supplier's price lists are binding for the Supplier only to the extent expressly referred to in the Contract.
4. In the event when a Product is to be based on specifications by the Customer, the Customer will be responsible for the quality and completeness of the specifications handed over to the Supplier for the purpose of delivery of the Products. Printing specifications mean PS, PDF files, model of the work, or analogue preview. These specifications shall meet the technical and quality parameters requested by the Supplier with regards to its technological process. In case the specifications do not meet the technical and quality parameters requested by the Supplier with regards to its technological process, the Supplier will have the right to return the specifications to the Customer for correction, while the delivery period for the Products to be supplied to the Customer will not run in the meantime, before new specifications are provided

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- (the delivery term will be postponed accordingly). In case the Supplier performs necessary modifications to the printing specifications, the scope of the same shall be notified to the Customer, and price charged together with the contractual price.
5. The Customer hereby expressly acknowledges that the Supplier is not aware of the Customer's subsequent intention with the Products, therefore the Supplier is not obliged to check the provided specifications in any way, whether the same meet the purpose of the Contract or of the Products. This fact will not establish any responsibility of the Supplier for possible defects.
 6. By placing an order with the Supplier, the Customer confirms that the performance of the subject of the order will not violate any third-party copyrights or industrial property rights and that such an act is based on an agreement entered into by and between the Customer and the respective third party (e.g. by providing a licence, etc.).
 7. In case the Product specifications are conditioned upon the Customer's cooperation, e.g. provision of source materials etc., then - for the period of possibly delayed cooperation by the Customer - the Supplier will not be in default on performance, and the delivery term for the Products will be postponed accordingly. The Customer is obliged to compensate the Supplier for any damages caused as a result of such delay. In case of the Customer's delay in provision of cooperation for a period of time longer than 30 days the Supplier will be entitled to terminate the Contract.
 8. The Supplier is obliged to return the materials provided to the Customer within 30 days after delivery of written Customer's request for the same.
 9. In case the Customer is interested in participation in the printing process (by definition solely printed products), and makes this fact known in writing at the conclusion of the Contract, or before the production is completed or Products delivered, the Customer shall be notified by the Supplier at least one calendar day prior to the launch of the printing process, while the time will be notified on the respective day. In case the Customer is present in the place of printing process, the Customer can participate in the same. Possible objections against the test print shall be reported by the Customer on the spot. In case the Customer has no objections against the test print, or is not present when the printing process is launched, the print will be considered approved by the Customer.
- V. **Place and term of delivery of the Products**
1. Unless stated otherwise in the Contract, the Product will be delivered to the Customer in the place of the Supplier's registered office, EXW according to INCOTERMS 2010.
 2. The Supplier shall deliver the Product to the Customer within the deadline specified in the Contract, provided the Customer meets its own contractual obligations specified in the Contract and in these Terms of supply timely and duly, or later, when the due term is postponed according to the Contract or these Terms of supply. The delivery of Products will take place exclusively on business days during usual working hours, i.e. between 7:00am and 7:00pm. When the term of delivery ends on a public holiday, it shall be postponed to the nearest business day.
 3. In case the Supplier fails to meet its obligation to deliver the Products within the terms agreed in the Contract, or within a postponed term according to the Contract or to these Terms of supply, for reasons exclusively on the Supplier's part, the Supplier will be obliged to pay to the Customer - as the only and exclusive compensation - contractual penalty in the amount of 0.1% (ten hundredths of a percent) from the value of the delayed delivery for every started day of default, up to the maximum of 50% of the contractual price. In the event the Supplier's default exceeds 30 days, and the Supplier fails to deliver the goods for reasons solely on the Supplier's part, even after delivery of written notification warning of the possible termination of the Contract by the Customer, while a period of grace is provided by the Customer of at least 5 business days, the Customer will be entitled to terminate the Contract.
 4. The Product will be delivered if one of the following conditions is met:
 - a. the Product was handed over by the Supplier, and simultaneously taken over by the Customer, or by a person authorized by the Customer, in the place of delivery; or
 - b. the Supplier made the Product available for the Customer in the place of delivery, without the Product being actually taken over by the Customer, or by a person authorized by the Customer.
 - c. The Supplier has met its obligation to deliver according to INCOTERMS 2010.For the avoidance of doubt: delivery of the Products according to the previous clauses (b) or (c) establishes the Customer's obligation to take over the Products, to pay to the Supplier part of the contractual price related to the delivery of the subject Products and possible costs and expenses incurred by the Supplier as a result of the Customer's default on takeover (namely warehousing costs).
 5. The Supplier hereby undertakes to supply the goods in usual packing, or on common, non-returnable pallets; where the goods are supplied on

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- EURO pallets the Customer is obliged to return the same to the Supplier within 30 days after delivery, otherwise the Customer will be obliged to pay to the Supplier a contractual penalty of CZK 500 for every unreturned EURO pallet. Where the Customer requests special packaging (e.g. special pads etc.), this shall be agreed in the Contract, while the Customer will be obliged to return such a special packaging to the Supplier within 30 days from delivery of the goods, otherwise the Customer will be obliged to pay to the Supplier a contractual penalty of CZK 500 for every unreturned special packaging.
6. In case of the Customer's default on takeover of the delivered Products the Customer will be obliged to pay to the Supplier a contractual penalty in the amount of 0.1% from the contractual price for the delivered and not taken over goods, for every started day of default. In case of the Customer's default exceeding 30 days the Supplier will be entitled to terminate the Contract, and sell the goods at the Customer's expense, and should the sale be impossible, to liquidate the goods at the Customer's expense.
7. Unless the Contract expressly states otherwise, the Product can be supplied to the Customer in more deliveries.
- VI. Risk of damages to the Product, transfer of ownership title
1. The risk of damages to the Product shall be transferred from the Supplier to the Customer at the moment of delivery of the Product. The risk of damages to all objects provided by the Customer for the purpose of contractual performance is borne by the Customer. The Supplier hereby undertakes to use and treat the objects provided by the Customer for the purpose of contractual performance in a relevant manner.
2. The ownership title to the Product delivered to the Customer on the basis of the Contract and these Terms of supply shall be transferred to the Customer at the moment of payment of the total contractual price. The Contracting Parties hereby acknowledge that the ownership title disclaimer is effective solely between themselves. In case the Supplier requests the disclaimer to have the erga omnes effect, the Customer hereby undertakes to provide all the necessary cooperation. The Customer is obliged to proceed analogically in case of Products, when the Customer is not yet an owner, located in a state where other requirements are defined for validity of ownership title disclaimer.
- VII. Rights related to faulty performance, quality assurance
1. The Supplier shall guarantee for the Customer that the Product at the time of delivery conforms to the Contract.
2. The Supplier is not responsible for defects of the Products and possible damages caused by the Supplier using specifications by the Customer, e.g. printing materials, paper, ink or other material selected or provided by the Customer. Deviation of colour range common in printing practice (see GRETAG table) is allowed, and shall not be considered a Product defect.
3. Where the Product has a defect at the time of delivery to the Customer, the Customer shall notify the Supplier immediately of the same in writing, specifying the subject defect, how it is manifested, and how it was identified, within 3 days from inspection or from expiration of period provided for the inspection, or within 3 days from manifestation of such a defect at the latest. Where the defect is not notified within the above-mentioned terms, all the Customer's rights based on subject defect shall be forfeited.
4. After due notification the Supplier will be obliged to eliminate the defect by a deadline agreed with the Customer, considering the nature of the defect and capacities available to the Supplier. In case of a defect due solely to reasons on the Supplier's part the defect will be eliminated at the Supplier's expense. In other cases the defect will be eliminated at the Customer's expense.
5. Considering the Customer's obligation to perform inspection of the Product immediately after delivery, within 3 calendar days after takeover at the latest, the Supplier will bear no responsibility for quantity or other visible defects of the Product, or for damages caused in transit, unless the transportation is arranged by the Supplier.
- VIII. Limited consequences of breach of obligations
1. The Contracting Parties hereby agreed that total foreseeable damages (both direct and indirect, or damages claimed by the Customer's customers) that can occur in the course of performance as a result of one or more breaches of contractual or legal obligations by the Supplier can reach the maximum amount equal to the contractual price, and therefore the Contracting Parties agreed that the Supplier's liability to the Customer for any damages shall not exceed 100% of the contractual price excl. VAT.
2. The limited damages agreed above shall not be applied in case of a deliberate act, or gross negligence of the Supplier.

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3. Regardless of any provisions of the Contract or these Terms of supply, the Customer's right to claim contractual penalty is the only and exclusive remedy the Customer is entitled to claim, and at the same time it is the only and exclusive obligation of the Supplier secured by the respective contractual penalty. Force majeure circumstances exclude applicability of contractual penalties.
- IX. Contract changes**
1. Unless the Contract or these Terms of supply expressly state otherwise with regards to a specific provision, term or condition, any changes of the Contract and its terms and conditions can be made solely in the form of written, numbered and correctly dated amendment, which shall be duly signed by authorized representatives of the Contracting Parties.
2. The provisions of this article of the Terms of supply does not apply to the fact that the Supplier is entitled to make ad hoc changes to the Contract (e.g. Place of delivery, minor parametric changes of the Product etc.), following prior request by the Customer, even without written amendment to the Contract. Such a request by the Customer shall be made by email/fax.
- X. Other provisions**
1. The Contract shall expire by termination. However, termination or other form of expiration of the Contract does not terminate the following:
- a. Claims to damages due to breach of the Contract;
 - b. Claims to contractual penalties or interest on late payment, if due under the Contract;
 - c. The Supplier's financial claims against the Customer arising from or in relation to the Contract;
 - d. Provisions of Article VIII of these Terms of supply;
 - e. Agreements on governing law and settlement of disputes;
 - f. Provisions dealing with the relations between the Contracting Parties after termination of the Contract, i.e. this clause;
 - g. Provisions related to such rights and obligations whose nature suggests they shall be observed by the Contracting Parties even after the termination.
2. The contractual relationship established by the Contract shall be governed by Czech laws. Circumstances not expressly stipulated in the Contract or these Terms of supply shall be governed by the Civil Code (Act No. 89/2012 Coll.).
3. The Contracting Parties agreed that international jurisdiction of Czech courts of law will apply also to business deals with entities outside the Czech Republic, and the Contracting Parties agreed that the relevant court will be that with jurisdiction in the place of registered office of the Supplier.
4. Individual provisions of the Contract and these Terms of supply are mutually independent. In case any provision of the Contract or of these Terms of supply is found unacceptable, invalid or not enforceable according to the governing law, such a provision will have no effect on the validity or enforceability of other provisions of the Contract or of these Terms of supply. The Contracting Parties hereby undertake to replace all the unacceptable, invalid and unenforceable provisions of the Contract or of these Terms of supply with provisions, terms and conditions that are acceptable, valid and enforceable, whose meaning and purpose will be as close as possible to the original unacceptable, invalid and unenforceable provisions.
5. Unless the Contract states otherwise in a specific situation, the Customer is not allowed to offset its claims against the Supplier's claims from other legal relationships than those established by the Contract. Offsets within the framework of contractual relationship can be made by the Customer solely on the basis of prior written consent granted by the Supplier, under the terms and conditions set in the Civil Code.
6. The Customer is not allowed to cede the Contract or any of its parts to a third party without prior written consent granted by the Supplier; the same applies to any of its rights, obligations or interests arising from the Contract and/or these Terms of supply. This provision does not prevent possible general legal successor of the Customer from entering into a legal relationship as a customer.
7. The Contracting Parties agreed that the Customer is not entitled without prior written consent granted by the Supplier to withhold (execute lien) any part of the Products or other objects received in relation to the performance of the Contract.
8. The Customer, according to the provisions of Section 1765.2 of the Civil Code accepts the risk of possible change of circumstances, i.e. those creating gross disproportion in the rights and obligations of the Contracting Parties, provided such a change of circumstances could not be foreseen or influenced by the Contracting Parties, and the Customer will have no right to request negotiations on changes to the Contract.
9. Blades that have not been handed over to the Customer under these Terms of Supply shall be stored by the Supplier for a period of 5 years at the longest, and the Customer shall be entitled to collect the Blades from the Supplier after previous arrangement. If it is technologically possible and acceptable, the Supplier shall be entitled to use a
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stored Blade during the storage period if the Customer places the same order again. If the Customer does not collect a Blade within 5 years of its first storage, the Supplier shall be entitled to dispose of the Blade, even without prior notification to the Customer.

XI. Publication and effect of the Terms of supply

1. Individual versions of the Terms of supply shall be published by the Supplier on its website, stating the version and date of publication. References to current version of the Terms of supply shall be considered sufficient, understandable and certain in order to apply relevant version of these Terms of supply to the relevant contractual relationship.
2. The Supplier has the right to make changes to the Terms of supply on its website at any time. Newly made contracts shall be always governed by the current version of the Terms of supply. Already made contacts will be governed by new version of the Terms of supply if both the Contracting Parties express their consent therewith in writing.
3. This version of the Terms of supply comes to force on 1. November 2022.