

GENERAL PURCHASING TERMS AND CONDITIONS OF ICZ GROUP

FOR THE SUPPLY OF DEVICES AND THE PROVISION OF SERVICES IN THE FORM OF ORDERS

1. INTRODUCTORY PROVISIONS AND DEFINITIONS

1.1. These General Purchasing Terms and Conditions (hereinafter referred to as the “**Terms and Conditions**”) regulate the mutual rights and obligations of ICZ a.s., headquartered at: Na hřebenech II 1718/10, Nusle, 140 00 Prague 4, Company ID No. 25145444, incorporated in the Companies Register kept by the Municipal Court in Prague, File Ref. B 4840, or its subsidiary companies (hereinafter collectively referred to as the “**Customer**”) and the Supplier in relation to the supply of goods or the provision of services by the Supplier for the Customer. The Terms and Conditions enter into force and effect as of 1 January 2018.

1.2. Definitions:

“**Subsidiary company**” means one of the following companies: S.ICZ a.s., Company ID No.: 26482444, Expert & Partner engineering CZ, a.s., Company ID No.: 61859117, Amaio Technologies, a.s., Company ID No.: 26165406, ALES, s.r.o., Company ID No.: 48208388, all of which are headquartered at: Na hřebenech II 1718/10, Nusle, 140 00 Prague 4 and DELINFO, spol. s r.o., Company ID No.: 49448218, headquartered at: Londýnské náměstí 856/2, Štýřice, 639 00 Brno.

“**Supplier**” means any natural or legal entity that provides performances to the Customer in the form of the supply of goods, services or the licensing of rights to the use of software.

“**Order**” means an obligatory written request of the Customer for the supply of the subject matter of performance that is consequently confirmed by the Supplier in writing. Orders sent and confirmed electronically by e-mail are regarded as a requirement or confirmation of the order in writing.

“**Subject matter of performance**” means goods or services supplied or provided to the Customer.

“**Services**” means, including but not limited to, installation, training, consultation, the management of the implementation of a project or any other services which the Supplier is obliged to perform.

“**Contract**” means an obligation of the Parties within the meaning of Section 1724, et seq., of Act No. 89/2012 Coll., Civil Code (hereinafter referred to as the “**Civil Code**”) whose contents consist of the relevant order and these Terms and Conditions.

“**Software**” means one or more programs capable of working on a control unit, processor or another hardware product. Software is either a separate product, is contained in another hardware product or is a fixed part of the device and is not separable in normal operation.

“**Party**” means the Supplier or the Customer.

“**Goods**” means hardware, software, products or other movable items described in the order.

2. CONCLUSION OF THE CONTRACT

2.1. Unless agreed otherwise, the Contract is concluded by and between the Supplier and the Customer based on these Terms and Conditions only in cases where the Supplier delivers the acceptance of the order to the (postal or e-mail) address specified in the order to the Customer not later than five (5) working days after the day on which it received the order. The Contract is concluded upon the receipt of the acceptance of the order by the Customer. If the Contract is not concluded, the Customer is not bound by the order. The Customer is entitled to withdraw from the order without giving a reason before the Contract is concluded.

2.2. For the avoidance of doubt, the Contract is concluded also in the case that the Supplier accepts the order by e-mail by the above deadline, unless stipulated otherwise in the order. Any legal action carried out by e-mail shall be signed by an authorized person of the Party in question.

2.3. An acceptance of the order by the Supplier that contains any reservations, amendments, or comments on the order or the Terms and Conditions or contains any other deviations from their wording shall not have the effects of acceptance but shall constitute a new proposal for the conclusion of a Contract. The Customer is entitled to accept or refuse this new proposal; in the case that the Customer accepts the new proposal, the Contract is concluded on the day on which the Supplier is notified of the acceptance of its new proposal.

3. SUBJECT MATTER OF THE CONTRACTUAL RELATIONSHIP

- 3.1. The Supplier agrees, based on the concluded Contract, to supply goods to the Customer or to provide services under the Terms and Conditions laid down in the order and these Terms and Conditions.
- 3.2. By the conclusion of a Contract, the Customer agrees to accept the goods or to receive services and to pay the price agreed upon for them.
- 3.3. The order and these Terms and Conditions regulate all the rights and obligations of the Parties unless the relevant written contract stipulates otherwise, i. e. deviating terms and conditions agreed upon in the relevant written contract take precedence over these Terms and Conditions.
- 3.4. The Parties have agreed that the rights arising from the Contract shall not be assigned without the prior written consent of the other Party.

4. PRICE OF THE SUBJECT MATTER OF PERFORMANCE AND PAYMENT TERMS AND CONDITIONS

- 4.1. The price specified in the order is fixed and final and includes all the Supplier's costs. If the Supplier is a VAT payer, the value-added tax (VAT) shall be added to the price under the applicable legal regulations, unless the amount of VAT has already been stipulated in the order.
- 4.2. The Customer agrees to make payments via bank transfer from its account to the Supplier's account. The payments shall be made in CZK, unless agreed otherwise.
- 4.3. The payment shall be made based on an invoice (a tax document) issued by the Supplier not later than 15 days as of the taxable supply / accounting case with the maturity of 60 days after the date of delivery of the invoice to the Customer's headquarters.
- 4.4. In addition to any and all statutory requirements, the invoice shall contain also the Customer's order number, the Supplier's bank information, the identification (functional classification) and the signature of the person who is entitled to draw up accounting and tax documents on behalf of the Supplier, the declaration of the goods origin or any other facts agreed upon by and between the Parties.
- 4.5. If the invoice does not contain the particulars laid down in applicable legal regulations, information according to the confirmed order and data according to par. 4.3, the Customer is entitled to return such an invoice to be corrected and completed. The original maturity period stops upon the justified return of the invoice. The entire maturity period restarts upon the delivery of a corrected invoice to the Customer. The Supplier shall update the invoice issue date and maturity date in the corrected invoice.
- 4.6. Not later than on the date of delivery of the invoice, the Supplier is obliged to deliver a document to the Customer proving the performance and acceptance of the taxable supply while, in particular, one of the following documents is regarded as such: a bilaterally signed delivery note, a bill of quantities, a delivery protocol, an acceptance protocol or another similar document (hereinafter collectively referred to as the "**acceptance document**"), and such an acceptance document must contain the information required to prove that the subject matter of performance (i. e. the service or goods) has been properly provided and supplied by the Supplier.
- 4.7. In case that the Supplier, contrary to par. 4.6, fails to submit the acceptance document to the Supplier or submits an acceptance document that does not contain the particulars specified in par. 4.6, the Customer is entitled to return such an acceptance document to the Supplier so that the data are corrected and completed or it is entitled to request that an acceptance document that corresponds to the requirements specified in par. 4.6 be submitted. In case that the invoice is delivered to the Customer contrary to par. 4.6, the maturity period specified in the relevant invoice stops upon the justified returning of the acceptance document or upon the dispatching of an invitation to submit the acceptance document and the entire maturity period restarts on the day of the delivery of the acceptance document that will meet the conditions laid down in par. 4.6.
- 4.8. The day of taxable supply is the day on which the acceptance of the subject matter of performance is confirmed in writing in the acceptance document by the Customer's authorized person.
- 4.9. When the payment terms and conditions are not met by the Customer, the Supplier is entitled to request that the delay interest in the amount of 0.03 % of the outstanding amount per each commenced day of delay be paid.

- 4.10. Any claims of the Supplier against the Customer (including but not limited to claims for the payment of the purchase price, the price of work etc.) may be assigned to third parties only with the Customer's prior written consent.
- 4.11. The Customer is entitled to set off any mutual claims of the Customer and the Supplier, both due and undue, even if they result from various legal relationships. The Supplier is entitled to set off mutual claims and liabilities towards the Customer only based on the Customer's prior written consent.
- 4.12. Any advance payments made by the Customer to the Supplier are refundable advance payments. In the case that the subject matter of performance is not supplied (or returned), the Supplier agrees to return the full amount of the sum already paid to the Customer without delay.
- 4.13. If the Supplier is registered as an unreliable VAT payer in the register of VAT payers under Section 106a of Act No. 235/2004 Coll., on value-added tax, as amended (hereinafter referred to as the "AVAT"), the Customer is entitled to proceed in compliance with Section 109a of AVAT, i. e. to pay to the Supplier only the price of the subject matter of performance excluding VAT, and the VAT shall be paid directly to the account of the competent financial authority.

5. DELIVERY TERMS AND CONDITIONS

- 5.1. The Supplier shall deliver the subject matter of performance to the place of delivery specified in the order by the delivery date or within the delivery period. The delivery period starts on the date on which the order is confirmed by the Supplier. If no date is specified in the order, the Supplier agrees to deliver the subject matter of performance to the Customer without delay, but not later than within 10 days from the date on which the Contract was concluded. The subject matter of performance shall be delivered from 8:00 a. m. to 5:00 p. m. on a working day, unless agreed otherwise.
- 5.2. The delay in the delivery by the Supplier is a significant breach of the Contract and entitles the Customer to withdraw from the relevant Contract. It is without prejudice to the Customer's other rights. The Customer may postpone the date of delivery or extend the period of delivery in writing (e-mail). A partial performance is possible only with the Customer's prior written consent (e-mail).
- 5.3. The Supplier shall deliver the goods to the place of delivery (shipping costs paid in the Czech Republic and in case of transport abroad – DDP under INCOTERMS 2010) at its own expense and risk. Cash-on-delivery consignments shall not be accepted without the Customer's prior consent.
- 5.4. If it is customary or required for the relevant type of goods, the Supplier shall hand over any and all required documentation for the goods (instructions, manuals, etc.) to the Customer in the Czech language upon the deliver. If it is customary for the relevant type of goods, the goods delivery shall also include the proper training of people designated by the Customer and the performance of tests, which are always included in the price of the goods in these cases, unless explicitly stipulated otherwise in the order.
- 5.5. The goods shall conform to the applicable laws and legal regulations, for instance laws on the protection of workers, on the protection of the environment and on security technology, including but not limited to electrical safety regulations, the Czech National Standards and DIN, as well as the European Standards (EN). In particular, the latest applicable technical version must always be delivered. The Supplier agrees to observe regulations on the transport of dangerous goods and dangerous waste as well as special regulations on storage and operation and to inform the Customer about them in time.
- 5.6. The Supplier shall package, mark and secure the goods for transport in the usual manner and in compliance with the applicable legal regulations. The Supplier is obliged to remove and dispose of the packaging at its own expense in compliance with the applicable legal regulations.
- 5.7. The Supplier shall attach a delivery note to the delivery containing any and all data from the order, such as the order number, the numbers of parts, an accurate identification of the goods, the order item, and in the case of deliveries from the countries of the European Union, also the number of the customs duty and the goods.
- 5.8. The acceptance of the subject matter of the order (performance) is documented by the signature of the Customer's authorized person in the acceptance document (e. g. in a delivery note, a document of delivery, a delivery protocol or another similar document) in two copies (one for each contracting party).
- 5.9. The Supplier is obliged to deliver the subject matter of performance to the Customer free of any obligations, claims or rights of third parties.

- 5.10. The Customer is not obliged to accept the subject matter of performance if it is incomplete or if it has other defects and also if it is not suitable for the purpose of the order that was known to the Supplier. In such a case, the Supplier is in delay with the provision of the subject matter of performance and it is deemed to have not been delivered by the agreed deadline. The Supplier agrees to eliminate defects in the subject matter of performance by a reasonable deadline stipulated by the Customer, or it shall deliver a new subject matter of performance to the Customer by the same deadline. The Customer has the right of choice.
- 5.11. If the agreed delivery date is not respected by the Supplier, the Customer becomes entitled to the payment of a contractual penalty by the Supplier in the amount of 0.05 % of the price of the subject matter of performance under the relevant order per each commenced day of delay.
- 5.12. The Customer shall acquire the ownership title to the subject matter of performance upon its delivery (or receipt) or upon its acquisition of the right to dispose of the subject matter of performance.

6. THE SUPPLIER'S OBLIGATIONS

- 6.1. If the subject matter of performance has the character of a piece delivery and/or a postal consignment, it shall always be marked with the complete number of the order on the inner part of the packaging.
- 6.2. The Supplier is obliged to specify the full number and date of the order in all written instruments without any exception. A delivery note shall be attached to each delivery such that it is visible and protected from weather effects during transportation and storage.
- 6.3. In the case of joint consignments, the Supplier shall specify all order numbers according to which the material was loaded in the delivery note. The Supplier shall mark the individual types (parts) of the joint consignment with the order number. An accurate specification of the number of pieces and/or other measurement, weight or volume units shall be included in the advice of dispatch as well as in the delivery note.
- 6.4. In the case of consignments consisting of several packages, the Supplier shall mark the package that contains the delivery note. In addition, a contact person and his/her telephone number shall be specified in the delivery note.
- 6.5. The acceptance document (delivery note and/or acceptance protocol) shall contain: the order number, the number of the subject matter of performance from the order, the name of the material and/or service, the quantity and data on returnable packages.
- 6.6. If the subject matter of the order is performed outside the Customer's headquarters, the Supplier shall send a confirmed acceptance document (delivery note and/or acceptance protocol) to an authorized representative of the Customer specified in the order, not later than within 5 calendar days. The name, surname and position of the person who accepted the delivery on behalf of the Customer shall be legibly written in the delivery document in capital letters.
- 6.7. The Supplier guarantees that any and all declarations and warranties of the Supplier as well as any and all information provided to the Customer as a part of the actions of the parties are true, complete and accurate in all significant aspects.
- 6.8. The Supplier shall procure any and all relevant permits, consents, licenses or approvals in compliance with the requirements of the applicable legal regulations and provide them to the Customer along with the subject matter of performance.
- 6.9. The Customer shall cooperate at the Supplier's request (where possible and justified) as reasonably required or shall grant or procure for the Supplier the relevant powers of attorney, consents and approvals at the Supplier's requests for any and all permits, consents, licenses or approvals required by the applicable legal regulations that the Supplier is obligated to obtain. The Supplier is obliged to ask the Customer to grant such powers of attorney, consents and permits in writing (e-mail) in time, not later than ten (10) working days in advance; otherwise, it is responsible for any damage or delay caused.
- 6.10. The Supplier is obliged to notify the Customer in writing (e-mail) of any changes in the data specified in the order. In particular, it is obliged to notify the Customer of any changes in its name or title, headquarters or domicile and changes in persons authorized to act on behalf of the Supplier without delay.

7. COPYRIGHT PROTECTION, CONFIDENTIALITY OF INFORMATION

- 7.1. The Supplier declares that the subject matter of performance is in the Supplier's exclusive ownership or it has the relevant authorizations thereto that are required in order to meet the purpose of the order and that the subject matter of performance is free of the rights of third parties based on industrial or other intellectual property rights, and at the same time, the Supplier is aware of its obligation under the provisions of Section 2616 of the Civil Code.
- 7.2. In the case that a third party holding industrial or other intellectual property rights to the subject matter of the performance makes any claims against the Customer (whether it be of a financial or other nature) based on the above title, the Supplier agrees to deal with and resolve any and all such disputes (i. e. also judicial disputes) fully at its own expense (including legal services), and at the same time, it agrees to compensate the Customer and its business partners for any and all damage incurred in the chain of causation in the breach of these rights by the Supplier.
- 7.3. Unless agreed otherwise, the Supplier shall grant to the Customer a non-exclusive license not limited by time, territory and quantity in respect of any and all intellectual property rights relating to the subject matter of performance.
- 7.4. Any and all contracts concluded between the Supplier and the Customer and any and all related business and technical details are subject to the Customer's business secret. The Supplier is entitled to refer to the business relationship with the Customer only if the Customer consents to it in writing.

8. WARRANTY

- 8.1. If the Supplier or the producer of the goods fails to provide a longer warranty, the standard warranty is granted in respect of the subject matter of performance for the period of 24 months from the date of delivery of the subject matter of performance and the signature of the acceptance document (a delivery note, an acceptance protocol, etc.), unless agreed otherwise.
- 8.2. The Supplier is obliged to resolve any complaint made by the Customer and is obliged to resolve it in the manner required by the Customer not later than 10 days from the date of its notification.
- 8.3. If the Supplier fails to deal with the complaint by that deadline and fails to make a statement on it in any manner (e. g. that it does not recognize it), the Customer is entitled to have the defects in the subject matter of performance removed by a third party or to acquire a new subject matter of performance from a third party at the Supplier's expense or to request a discount from the price of the subject matter of performance without prejudice to the Customer's rights from the warranty in any way or claims from the defects in the subject matter of performance. The Customer is entitled to determine the form of settlement of a complaint (i. e. the repair or the removal of a defect, the delivery of replacement goods, a discount etc.) without the Supplier's consent.
- 8.4. By the moment when the claims based on the defects are settled, the Customer may suspend the payments for the delivery of the subject matter of performance without being in default with the payment of its pecuniary obligation.
- 8.5. In the case that the deadline to settle a complaint is not respected, the Supplier is obliged to pay a contractual penalty to the Customer in the amount of 0.05 % of the value of the performance complained about per each day of delay in the settlement of the complaint, and the contractual penalty shall be due upon the breach of the secured liability.
- 8.6. In the case of a dispute over the justification of a complaint, the Customer shall procure an expert opinion of a sworn expert that will determine whether or not it is a warranty defect. If the expert opinion states that it is a warranty defect, the Supplier shall settle the costs of preparing the expert opinion; otherwise, the Customer shall settle these costs. The opinion of the expert is binding for both the parties, and they agree to proceed according to the conclusions of this expert opinion. A dispute over the justification of a complaint is without prejudice to the Supplier's obligation to remove the defect if the expert opinion stipulates that it is not a warranty defect, and purposefully spent costs for the removal of the defect that are usual for the given place and time shall be paid to the Supplier.

9. LIABILITY

- 9.1. The Supplier is liable towards both the Customer and any third parties for any and all harm in full extent, including lost profit and any and all costs of the Customer spent on the removal of defects in the subject matter of performance and related damage.
- 9.2. If an extraordinary unpredictable and unsurmountable obstacle hinders one of the Parties in meeting its obligations, such a Party is not in default, but only to the extent and for the period for which the impossibility to perform is undoubtedly caused by the effects of the extraordinary unpredictable and unsurmountable obstacle.
- 9.3. The following events are regarded as extraordinary unpredictable and unsurmountable obstacles whose occurrence is independent of the will of the relevant party or as circumstances excluding liability: a force majeure, including natural catastrophes, a state of war, civil disorders, fire, floods, epidemics, quarantine provisions, earthquakes, landslides, an explosion, a terrorist attack and other obstacles that occur independently of the will of the relevant party and that the relevant Party could not have reasonably anticipated at the moment when the obligation arose. The performance is not regarded as impossible if it can be fulfilled under demanding conditions, with higher costs or only after the agreed time.
- 9.4. If an extraordinary unpredictable and unsurmountable obstacle occurs, the relevant Party is obliged to inform the other Party of its nature, beginning and end without delay.
- 9.5. The liability of the obliged Party is not excluded, and the date of performance shall not be extended if the extraordinary and unsurmountable obstacle occurred only when the obliged Party was in delay with the fulfilment of its obligation or if the obliged Party failed to fulfil its obligation to inform the other Party without delay.
- 9.6. In the case that the duration of the extraordinary unpredictable and unsurmountable obstacle exceeds 5 days, the Party to which the performance affected by an extraordinary unpredictable and unsurmountable obstacle is to be provided is entitled to withdraw from the Contract.

10. FINAL PROVISIONS

- 10.1. Legal relationships between the Parties shall be governed by the law of the Czech Republic, including but not limited to the Civil Code.
- 10.2. The payment of any contractual penalties under these Terms and Conditions are without prejudice to indemnification.
- 10.3. The courts of the Czech Republic are competent to resolve disputes.
- 10.4. The Parties declare that they have acquainted themselves with the contents of the Terms and Conditions, that they understood any and all of its provisions and that their text is a complete, clear and comprehensible expression of their true, solemn and freely expressed will.