

GENERAL TERMS AND CONDITIONS of the company IPECON, s.r.o.

Art. I

Basic Provisions and Definition of Terms

- 1.1. These General Terms and Conditions (hereinafter the "GTC") regulate the business relations established by the purchase contract and by the contract for work (hereinafter the "Contract"), arising on the basis of a binding order and/or contract concluded between the company IPECON, s. r. o., ID No.: 36 374 784, with its registered office at Dolné Rudiny 8209/43, 010 01 Žilina, registered in the Business Register of District Court Žilina, Section: Sro, File No. 10621/L (hereinafter the "Seller") and a person who concludes with the Seller, on the basis of a written order, a contract related to its own business, manufacturing or similar activity while individually performing its profession (hereinafter the "Buyer"). The term "Seller" also means the "Contractor" and the term "Buyer" also means the "Customer" in case of the contractual relationship established by the contract for work.
- 1.2. "Seller's Offer", for the purpose of these GTC, means an offer of the Seller in written form or in electronic form to sell the Goods.
- 1.3. "Goods" means any and all assortment (products, equipment, and also services) offered by the Seller for purchase through the Seller's Offer.
- 1.4. "Order" means the Buyer's binding order for which the prices and terms and conditions of the Seller given in the Offer are binding, unless the Parties agree on other conditions.
- 1.5. The Seller may unilaterally change or supplement the GTC and Seller's Offer. This shall be without prejudice to the rights and obligations arisen during effectiveness of the previous GTC.

Art. II

Conclusion of Contract

- 2.1. All deliveries of the Goods between the Seller and Buyer shall take place exclusively on the basis of written Orders of the Buyer.
- 2.2. The Order of the Buyer shall be considered an acceptance of the Seller's Offer, and any change (even of non-essential matters) in the Order of the Buyer shall be subject to an additional explicit approval by the Seller. Acceptance of the Offer with any supplement or deviation shall be excluded, unless explicitly agreed otherwise by the Parties.
- 2.3. The Order of the Buyer must be made in writing. The Order sent to the Seller by e-mail shall be also considered the written Order. By sending the Order the Buyer confirms that it has become familiar with the content of GTC which form an integral part of the Offer or are published on the website of the Seller, and that it agrees with the same.
- 2.4. The Buyer's written Order must contain a detailed specification of the ordered Goods, their quantity and price so that the Goods are not confused with any other type of the Goods, specification of the particular Seller's Offer (especially number of the

Offer), identification data of the Buyer and the Buyer's current e-mail address to which the Seller is to confirm receipt of the Order to the Buyer. The Order must be delivered to the Seller by the end of the validity period of the Seller's Offer specified directly in the Offer; after expiry of the validity period of the Seller's Offer the conditions given in the Offer may be changed of which the Seller shall notify the Buyer.

- 2.5. The Contract shall be deemed concluded at the moment when a written confirmation of the Order is sent by the Seller by means of which the Seller accepts the Order of the Buyer in accordance with the price and delivery terms of the Seller. For the purpose of confirmation of the Order, the Order may be confirmed also by e-mail.
- 2.6. If the Seller is able to satisfy the sent written Order of the Buyer for the Goods only in part, it shall inform the Buyer in writing as soon as possible after receipt of such Order, notifying the Buyer of the extent to which it is able to satisfy the Order. If this is the case, the Buyer shall also notify the Seller within five (5) working days of such notice whether or not it agrees with such limited performance. If the Buyer fails to do so within the aforesaid period, it shall be deemed that the Buyer accepts the Order in the limited extent as given in the Seller's written notice. Delivery of the Goods in the limited extent under the written notice shall be considered as proper performance of the Seller's obligation. The unaccepted part of the Order shall be considered as cancelled, unless the Parties explicitly agree on the performance within the additionally agreed period. If the Buyer notifies the Seller that it does not agree with the partial performance of its Order, the Order shall be considered as cancelled in full and the Contract shall not come into existence.
- 2.7. By sending a binding Order, the Buyer explicitly declares that the bankruptcy has not been declared over its assets, that it is not in restructuring, it is not in liquidation, that the bankruptcy proceedings against the Buyer have neither been suspended nor dismissed due to lack of assets and that the Buyer is not aware of having such obligations that could result in commencement of the bankruptcy proceedings. In case that the Buyer after conclusion finds out that the bankruptcy proceedings could be initiated against the Buyer, it shall notify the Seller of this fact without undue delay. Any breach of the Buyer's obligation under this Clause shall be considered a material breach of the Contract.

Art. III

Price and Payment Terms

- 3.1. The price of the Goods shall be based on the price specified in the Seller's Offer or the price specified in the Seller's Price List of Services as in force on the Contract date, unless a different price is specified in the Offer. The price specified in the Seller's Offer shall always be decisive. The packing charges, costs

of handling, transportation and delivery of the Goods to the Buyer are not included in the price.

- 3.2. In the event that the Order of the Buyer is delivered to the Seller after the validity period of the Seller's Offer, the Seller shall not be bound by the price specified in the Offer. The Seller shall notify the Buyer in writing of any change in the price of the offered Goods without undue delay. If the Buyer does not inform the Seller in writing within three (3) working days of the delivery of such written notice that it revokes the Order, it shall be deemed that the Buyer insists on the Order and accepts the change of the price of the Goods to the full extent.
- 3.3. The right to payment of the price or other costs shall arise to the Seller as soon as the Seller meets the obligation to deliver the Goods to the Buyer. After this moment the Seller may issue to the Buyer an invoice for the respective amount. The Seller shall send the invoice to the Buyer's e-mail address given in the Order. The invoices shall be due within fourteen (14) calendar days of the issue date thereof.
- 3.4. If the Buyer is in default with payment of the price of the Goods or other payments associated with delivery of the Goods hereunder, the Seller may charge to the Buyer a contractual penalty of 0.05 % of the outstanding amount for each commenced day of default. This agreement shall be without prejudice to the Seller's right to payment of a default interest and the right for compensation of damage incurred by the Seller in connection with the default of the Buyer to the fullest extent; when neither the default interest nor the contractual penalty is included in the damage. If the Buyer is in default with the payment of the price for the Goods, it shall be considered a material breach of the Contract. If the Buyer is in default with payment of the price of the Goods or payment for transport of the Goods or other payment associated with delivery of the Goods despite the Seller's written notice, the Buyer shall return the Goods to the Seller without undue delay and upon the Seller's written notice. If the Buyer fails to meet the aforementioned obligation and fails to return the Goods to the Seller without undue delay upon the Seller's notice, it shall pay to the Seller a contractual penalty of 0.05 % per day of the value of the Goods with returning of which the Buyer is late.
- 3.5. If the Buyer is in default with any payment, the Seller may suspend performance of all Orders of the Buyer that have not been performed yet until the amount with the payment of which the Buyer is in default is credited to the Seller's account. In this case non-delivery of the Goods within the agreed delivery period shall not be considered as the Seller's default with performance of delivery.
- 3.6. In case of any change in tax or any other generally binding legal regulations that could affect the agreed price of the Goods or the price of other performance associated with delivery of the Goods, the Buyer acknowledges that the Seller may unilaterally change the prices pursuant to the applicable legislation and agrees with the same. In other cases, e.g. in case of any material change in cost factors (cost of material, transport, etc.) that could affect the price, the Seller shall notify the Buyer of the change

of the price without undue delay. The Buyer shall notify the Seller in writing within five (5) working days whether or not it agrees with the change of the price; after expiry of this period it shall be deemed that the Buyer agrees with the change of the price.

Art. IV **Delivery Terms, Transfer of Risk of Damage and Retention of Title**

- 4.1. The Seller shall deliver the Goods ordered by the Buyer to the Buyer within the period specified in the Offer. Should it be not possible to comply with the period due to the reasons at no fault of the Seller, the Seller shall inform the Buyer and make all reasonably expected efforts to fulfil the obligation in a due manner as soon as possible. If the above conditions are met, such later delivery shall be deemed as performance in a timely manner. Delivery of the Goods by the Seller in a proper and timely manner is conditioned by necessary cooperation of the Buyer in compliance with the Contract and these GTC.
- 4.2. Delivery period shall be reasonably extended if the unforeseeable extraordinary events occur which the Seller could not avoid even despite due diligence reasonable for each individual case, even if they occur on the part of the sub-contractor, provided that they significantly affect the execution or delivery of the Goods.
- 4.3. As a rule, all Goods are delivered to the Buyer under the terms specified in the Offer (usually Incoterms 2010). If the nature or quantity of the delivered Goods requires so, the Seller may split the delivery into several partial deliveries. In this case the Seller may invoice to the Buyer the price of partial performance of the Order.
- 4.4. Transport of the Goods to the address other than the Seller's registered office and other performance associated with delivery and transport of the Goods, if any, shall be ensured by the Seller at the expense of the Buyer, unless otherwise agreed by the Parties.
- 4.5. If, due to the reasons on the part of the Buyer, it is necessary to deliver the Goods repeatedly or by using other method than explicitly agreed, the Buyer shall pay the costs associated with repeated delivery of the Goods or the costs associated with other delivery method.
- 4.6. The Buyer shall confirm delivery and acceptance of the Goods on a delivery note, acceptance certificate, consignment note or other document related to the delivery of the Goods. When accepting the Goods from a carrier, the Buyer shall check the integrity of packaging of the Goods and if any apparent defect is found, the Buyer shall inform the carrier and Seller immediately.
- 4.7. The risk of damage to the Goods shall pass onto the Buyer upon acceptance of the Goods at the Seller's place, or upon handover of the Goods to a forwarder or carrier to be transported to the agreed place of performance. The title to the Goods shall pass onto the Buyer only after the price of the Goods is paid in full.

- 4.8. In case that the Buyer sells to any third person the delivered Goods with the payment for which the Buyer is in default, the Buyer undertakes to notify the Seller in writing of this fact, and undertakes to assign to the Seller, upon the Seller's written notice and by means of a written agreement, all receivables from resale towards its contractual partner (third person). In case of a breach of this obligation or if the assignment is not possible because the Buyer's receivable toward the third person has ceased, the Seller may charge to the Buyer a contractual penalty amounting to the unpaid price of the Goods.
- 4.9. The Buyer shall immediately inform the Seller if the Goods to which the retention of title applies become a subject of enforcement of the decision or distraint procedure whether such Goods will be included in a bankruptcy estate and if the Seller's title to the Goods is or could be otherwise restricted by the third person. The Buyer shall also support this information by giving the Seller the documentation necessary to protect its rights as the Seller and owner of the Goods.
- 4.10. Any breach of the Buyer's obligations in Article 4.8. and 4.9. of GTC shall be deemed a material breach of the Contract.

Art. V

Quality Warranty, After-Warranty Service

- 5.1. The Buyer shall inspect the Goods as soon as possible after acceptance of the Goods. If the Buyer discovers any defects of or damage to the Goods, it shall immediately notify the Seller of this fact in writing, specifying the defects in an identifiable manner that does not allow any confusion, all of that in a complaint delivered to the Seller no later than within 5 days of discovery of the defects.
- 5.2. The Seller provides the Buyer with a warranty for quality of the delivered Goods for the period given in the Offer or for the period as agreed by the Parties. The warranty period shall commence on the delivery date of the Goods.
- 5.3. The warranty service in the territory of the Slovak Republic and Czech Republic shall be performed by the Seller at its own expense and defective parts shall be delivered to the Buyer free of charge during the warranty period, unless otherwise stated in the Offer.
- 5.4. The quality warranty shall not cover the cases where the Buyer repairs the Goods itself or has them repaired using other than own technology or other than own manufacturing parts. Furthermore, the warranty shall not cover the cases where the defect is caused by lime deposits, chemical or electrochemical effects, or effects of potable or heating water not corresponding to the standards in force, as well as the defects caused by improper installation by an unauthorized person, or unprofessional setting, operation, or unprofessional or improper use of the Goods. Furthermore, the warranty shall not cover the defects caused by improper handling and storage of the Goods, improper maintenance or a failure to carry out the maintenance as scheduled, as well as the defects caused by force majeure. The warranty shall also

not cover replacement of consumables, replacement of worn manufacturing components and parts, such as O-rings, blind plugs, sealing parts, and products of similar nature.

- 5.5. Upon the Seller's request, the Buyer shall allow inspection of the defective Goods to identify the causes of defect and to check the condition of the defective Goods, including compliance with the principles of their use in accordance with the instructions for installation, service and maintenance. In its written statement regarding the complaint the Seller shall inform the Buyer whether the complaint is justified, and how and when the defect of performance shall be remedied.
- 5.6. The Buyer shall ensure that the Goods being subject of the complaint are stored separately until the day when the complaint is handled. Any disposal of the Goods being subject of the complaint that would prevent the complaint procedure is not allowed without the consent of the Seller. If the Buyer is in breach of these obligations and fails to allow the Seller to check the existence of the defect or fails to provide the access to the Goods, fails to provide the Seller upon the Seller's request with any samples of the Goods being subject of the complaint, or fails to deliver the documentation sufficient for the Seller to be able to quantify a reasonable discount of the price of the Goods within the period specified by the Seller in the Seller's statement regarding the complaint, it shall be the ground for rejecting the complaint, giving rise to cessation of the Buyer's claim arising from the defective performance.
- 5.7. The Buyer may exercise the right for compensation of efficiently and provably incurred costs associated with the complaint regarding the defective performance from the Seller only if these costs are approved by the Seller in writing before they incur, otherwise this right shall cease to exist. The compensation for these costs may not be claimed based on other legal title.
- 5.8. Beyond the framework of the quality warranty, the Seller shall provide after-warranty service, but solely under the conditions given in the after-warranty service agreement.

Art. VI

Withdrawal

- 6.1. The Seller may withdraw from the Contract if the Buyer is in a material breach of the Contract, in particular under Art. III. Clause 3.4., Art. II. Clause 2.7., under Art. IV., Clause 4.10. hereof, or in case of breach of any obligation of the Buyer under Art. VII hereof.
- 6.2. The Buyer may withdraw from the Contract if the Seller is late in delivering the Goods, if the Seller is late despite a written notice drawing the attention to the fact that the Seller is late in delivering, and only if the Seller is late in delivering the Goods for at least 30 (thirty) days and no sooner than ten (10) working days after delivery date of the written notice.
- 6.3. In case of withdrawal from the Contract due to the reasons on the part of the Buyer or in case of any other breach of the Contract by the Buyer, the mutual settlement shall take place on the basis of

which the Buyer shall pay to the Seller all cancellation costs. Cancellation costs shall be understood as any and all costs incurred by the Seller to perform the subject of the Contract under the Offer or in connection with the same until the date of withdrawal from the Contract. This shall be without prejudice to the Seller's right for compensation of material and non-material damage and loss of profit.

- 6.4. Withdrawal from the Contract must be in writing and must be delivered to the other Party, otherwise it shall be void and invalid. Delivery shall take place in accordance with Art. IX., Clause 9.5. hereof.

Art. VII Other Rights and Obligations

- 7.1. The Buyer shall immediately notify the Seller in writing of any fact which could have an adverse effect on performance of its obligations in relation to the Seller, or which could significantly jeopardize performance of the obligations.
- 7.2. The Buyer shall immediately notify the Seller in writing if a decision on liquidation of the Buyer has been made, a motion has been filed for deregistration of the Buyer from the Business Register, a motion for bankruptcy has been filed by the Buyer or against the Buyer, or the distraint procedure has been initiated against the Buyer.
- 7.3. The Buyer shall store and operate the delivered Goods in compliance with the conditions specified in the accompanying documentation. The basic requirement is that the Goods may not be stored in the high humidity environment, in the environment containing corrosive aggressive substances and in the environment with sudden temperature changes with occurrence of vapour condensation. The Goods may not be exposed to the effects of external environment, such as rain, snow, ice, frost. In the environment with increased dustiness it is necessary to protect the equipment by means of a suitable covering material. The required storage temperature ranges from +5°C to 45°C, relative humidity from 5% to 85%, and pressure from 70 kPa to 106 kPa. The Seller shall not be liable for any defects of the Goods incurred as a result of non-compliance with these conditions.

Art. VIII Other Provisions

- 8.1. The Buyer agrees that the information concerning the Goods, services or business of the Seller be sent to the Buyer's e-mail address and also agrees that the Seller's commercial communications be sent to the Buyer's e-mail address.

Art. IX Final Provisions

- 9.1. If the relationship between the Buyer and the Seller established by the Contract contains an international (foreign) element, the law of the Slovak Republic shall be the governing law and the relationship shall be governed by the Slovak law. Any dispute shall be subject to the jurisdiction and competence of the general courts of the Slovak Republic.
- 9.2. If any provision of these GTC is held or becomes invalid or ineffective, the invalid provisions shall be replaced by the provision the meaning of which comes as close as possible to the invalid provision. Invalidity or ineffectiveness of one provision shall be without prejudice to the validity of remaining provisions.
- 9.3. By sending a written Order the Buyer gives the Seller the consent to processing of all its personal data given in the Order.
- 9.4. The company processes the personal data in compliance with Regulation (EU) 2016/679 of the European Parliament and of the Council on the protection of natural persons with regard to the processing of personal data and on the free movement of such data.
- 9.5. It processes the personal data with the aim to perform the Contract, within the legitimate interests, on the basis of consent of the data subject, and with the aim to comply with the statutory duties.
- 9.6. The company IPECON, s.r.o. processes the provided personal data for several purposes: processing of contractual obligations, performance of obligations arising from contractual relations and exercising of rights, processing of HR and salary documentation, employees' attendance, processing of accounting documentation, handling of complaints / requests submitted, and within safeguarding the legitimate interests of the company (protection of buildings and property of the company, marketing activities, CCTV records of internal premises, information systems security measures).
- 9.7. In case of other language versions, the Slovak version shall prevail at all times. The provisions of the Contract shall always take precedence over the provisions of these GTC.
- 9.8. As to delivery of notices between Seller and the Buyer it is agreed that the written notice shall be deemed to have been delivered on the day when it is accepted by the addressee to whom it is addressed. In the event that the addressee to whom the notice is addressed fails or refuses to accept the notice or otherwise frustrates its delivery, it is agreed that the notice shall be deemed to have been delivered on the third day following the day when the notice is handed over to the delivery service company for delivery; the day when the notice is handed over shall not be included in this period.
- 9.9. These GTC take effect on 1 December 2018.