

BUSINESS CONDITIONS OF DELIVERIES OF CONCERN ŠKODA TRANSPORTATION

version 2/2020

1. Business Conditions Validity

- 1.1. Subject, Content. These Business Conditions shall regulate the conditions for the purchase of Goods by Concern companies being Buyer ("**Business Conditions**").

2. Definition of Certain Terms

- 2.1. Concern: **ŠKODA TRANSPORTATION a.s.**, with its registered office at Emila Škody 2922/1, Jižní Předměstí, 301 00 Plzeň, ID: 626 23 753, entry in the companies register by Regional Court in Plzeň, Section B, File number 1491, („ŠTRN“) is a dominant entity and together with the dependent entities as they are mentioned in the Notification of the existence of the concern placed on the website ŠTRN: <https://www.skoda.cz/en/notificationconcern/>, it forms a concern called „Concern ŠKODA TRANSPORTATION“ (hereinafter only „Concern“).
- 2.2. Concern companies: ŠTRN and all the companies forming the Concern including the company ŠKODA TRANSTECH Oy, ID: 1098257-0, with its registered office at Elektroniikkatie 2, 90570 OULU.
- 2.3. Delivery. Any Delivery pursuant to these Business Conditions shall mean the delivery through a postal license holder, or e-mail (including without guaranteed electronic signature), into a data box, or in person. Unless expressly stated otherwise, all notices pursuant to these Business Conditions must be made in writing and delivered by any of the means stated in the previous sentence of this paragraph. Seller consents to Buyer and other private entities delivering notices to Seller's data box.
- 2.4. Purchase Contract. A Purchase Contract shall mean any purchase contract concluded pursuant to Part 3 of these Business Conditions.
- 2.5. Buyer. In these Business Conditions, Buyer shall always mean the relevant Concern company always as per the concrete provision in the order or the Purchase Contract concluded in the manner as per paragraph 3.1 of these Business Conditions.
- 2.6. Time-limits. Unless expressly stated otherwise, the time-limits shall be stated in calendar days.
- 2.7. Substantial Breach of Obligations. In particular, the following shall be considered as a Substantial Breach of Obligations stipulated in the Purchase Contract or these Business Conditions on the part of Seller:
- a) default with fulfilling the obligation to deliver Goods to Buyer in a due and timely manner;
 - b) default with fulfilling the obligations ensuing from liability for defective Goods;
 - c) breach of the Code of Conduct as per paragraph 22.1 a) of these Business Conditions;
 - d) violation of industrial or other intellectual property rights

as per Article 13 of these Business Conditions.

- 2.8. Contractual Penalties. All contractual penalties pursuant to these Business Conditions and the Purchase Contracts shall always be payable within 30 days of Delivery of their billing to the other Contracting Party. The payment of a contractual penalty shall not affect Buyer's right to compensation for damages. Buyer shall be entitled to assert both rights independent of each other and no contractual penalty shall affect the liability for damages and their claiming, amount and compensation.

- 2.9. Goods. In these Business Conditions, Goods shall mean tangible personal property and its accessories which Seller undertakes to deliver to Buyer pursuant to the Purchase Contract and the title to which shall be transferred to Buyer, and Buyer undertakes to take over such property and pay Seller the purchase price, regardless of whether or not the Goods are identified as Goods, spare parts, etc., in the Purchase Contract.

3. Conclusion of Purchase Contract

- 3.1. Conclusion of Purchase Contract. The proposal for the Purchase Contract shall be a written order from Buyer delivered to Seller. The Purchase Contract shall be considered as concluded upon the Delivery of a confirmed, written and duly signed order to Buyer. The order must be confirmed by Seller in full and without any supplements, reservations, limitations or any other changes compared to the wording of the order sent by Buyer; otherwise, no Purchase Contract shall be considered as concluded.
- 3.2. Seller's New Draft. The confirmation of an order which contains supplements, reservations, limitations or other changes shall be considered as refusal of the order and shall form a new proposal by Seller to conclude the Purchase Contract, even if the supplements, reservations, limitations or other changes do not substantially change the order conditions. In such case, the Purchase Contract shall be considered as concluded only if Buyer confirms such proposal in writing and delivers it back to Seller.
- 3.3. Time-limit for Acceptance/Revocation of Order. Seller shall be obliged to confirm the delivered order in writing within 07 days of Delivery and duly deliver to Buyer or communicate to Buyer within this time-limit that it refuses the order. The acceptance and the refusal of an order must be made in writing, signed and delivered to Buyer.
- 3.4. Change(s) to Purchase Contract. Buyer shall be entitled to demand from Seller:
- (i) any modification of the Goods which is feasible with the use of existing Goods; or
 - (ii) the development of new Goods; or
 - (iii) the redesign of the existing Goods (collectively as "Modification"); and Seller shall be obliged to react to such demand without delay

If Seller expresses, in any way, its consent to a Modification demanded by Buyer, it shall be obliged to implement the said Modification at Buyer's request and without delay after receiving Buyer's notice, regardless of whether or not the cost of the said Modification or the delivery date is known ("Modification Order").

The Contracting Parties agree that:

- (i) the cost of Modification of Goods; and
- (ii) the delivery dates shall be determined by agreement between the Contracting Parties at the latest within 30 days of the Modification Order; if the Contracting Parties fail to agree, they shall appoint, within an additional time-limit of 15 days, an independent third party who shall determine the cost of the said Modification or the delivery date within 30 days of appointment. If the Contracting Parties fail to appoint the third person or the third person is not able to determine the cost of the said Modification or the delivery date within the time-limit and in the manner pursuant to these Business Conditions, either Contracting Party shall be entitled to file an action with the relevant authority competent to deal with disputes pursuant to these Business Conditions and which shall hand down a final decision on the cost of the said Modification or the delivery date. To determine the cost of the Modification or the delivery date, Seller shall send Buyer the enumeration of all the costs of the said Modification, in particular, the development, production and homologation cost in the form of an open and relevantly substantiated calculation (open book policy). Concurrently, Seller shall be obliged to notify Buyer of all other possible impacts associated with the said Modification.

If Buyer asserts its right pursuant to this clause of the Business Conditions, Seller shall be obliged to conclude, upon Buyer's request and proposal, an amendment to the Purchase Contract, which shall contain specification of the modified Goods, the Purchase Price, the delivery dates, and, possibly, other business conditions expressly agreed between the Contracting Parties. Seller shall be obliged to deliver its remarks on the proposed wording of the amendment to Buyer within 14 days of receiving the proposed wording. If Seller fails to deliver its remarks on the amendment within the stated time, Buyer shall be entitled to call on Seller to conclude the amendment in the wording as proposed. The failure to conclude the amendment shall not in any way affect Buyer's right to order Goods and Seller's obligation to deliver them in compliance with the conditions of this clause.

4. Goods Quality, Workmanship and Packaging

- 4.1. Quality and Workmanship. The Goods must correspond to all technical requirements and technical and safety standards applicable to the given type of Goods, including both the binding and recommended standards, including with regard to the final product of which the Goods shall be part. The Goods and the components used for their production must be new, unused and undamaged and must be made of quality material. If Goods are delivered on the basis of samples, designs or drawings, they must fully comply with such samples, designs and drawings. In case of contradiction between samples, designs or drawings and the Purchase Contract, the Purchase Contract shall prevail. The Goods must be capable of generating a permanently standard performance in compliance with the properties and the quality stated in the Purchase Contract and must be fully fit for the purpose for which they are delivered. No Buyer's assignment pursuant to the Purchase Contract shall release Seller from its obligation to proceed with professional care

and warn Buyer in writing, in particular, if an assignment or instruction is unsuitable, does not meet the purpose of the Purchase Contract, or is incomplete or insufficient. Seller declares and guarantees that prior to confirming the Purchase Contract, it had verified and confirmed that it was able to produce the Goods in a due and timely manner and deliver them in compliance with all relevant documents/regulations, both legal and contractual (for example, standards, guidelines and norms). The Goods must not be encumbered with any legal defects, for example, a lien. Prior to their delivery, the Goods were allowed to be accounted for only in the reserves rather than in the relevant assets accounts of accounting group 02 – Tangible Fixed Assets written-off.

Seller shall be obliged to notify Buyer, at the latest by the due delivery of Goods, of the country of origin of such Goods. Where the countries of origin of the Goods and the countries of origin of the components or material of which the Goods are produced or composed vary, Seller shall be obliged to state both these details. In the used components and materials, Buyer shall exercise truthfulness with data on the components or materials that are fundamental for the Goods. In the event of a breach of this clause or falsification of such declaration, Seller shall be liable to Buyer for paying a contractual penalty of CZK 10,000 for each case of a breach.

- 4.2. Graphical Designation. The Goods must not contain any advertising elements (producer's logo or name), except for the labels, writings or symbols prescribed by binding legislation or requested by Buyer. In the event of a breach of this clause, Buyer shall be entitled to demand that Seller pay a contractual penalty of CZK 20,000 for each individual case of a breach.
- 4.3. Special Tools and Equipment. If special tools or equipment are necessary for the assembly, regular or extraordinary maintenance, or repair of the Goods, Seller shall be obliged to warn Buyer of this fact, including details on the availability and regular cost of such tools or equipment, prior to concluding the Purchase Contract.
- 4.4. Goods Packaging, Safeguarding and Labelling. In case of possible transportation of the Goods, Seller shall be obliged to pack or otherwise safeguard the Goods in the manner expressly stipulated in the Purchase Contract, at its own cost. If no packing or safeguarding method is expressly stipulated in the Purchase Contract, Seller shall be obliged to pack the Goods and safeguard them for transportation in a manner such that their damage or depreciation during transportation, including loading and unloading, is avoided. In packing and safeguarding the Goods for transportation, Seller shall be obliged to respect Buyer's instructions and draw Buyer's attention to the unsuitability of its instructions. If Seller fails to draw Buyer's attention to the unsuitability of its instructions, it shall be liable for any possible damage caused by the implementation of Buyer's unsuitable instructions. Seller agrees that all the costs of packing or safeguarding the Goods pursuant to this clause shall be included in the purchase price pursuant to the Purchase Contract.
- 4.5. Goods Packaging Elements. The packaging of the Goods must enable their safe storage without loss of quality. The packaging must be accommodated for handling with the use of a forklift truck and must enable efficient storage, i.e. it must be stackable. The Goods must not protrude over the edges of the packaging (palettes, etc.). It must be possible to easily unstrap the individual items of the Goods without tools and time-consuming unpacking. The packaging of the Goods must visibly and legibly state Seller's identification details, Buyer's identification details, the order number, the identification number of the Goods (ID), details of the

quantity and type of the Goods according to the designation and structure pursuant to the Purchase Contract, and the instruction for safe storage and handling of the Goods, i.e. in particular, the handling signs for marking transport packaging, the identification of returnable packaging and identification required by the laws pertaining to the production, use and other handling of the Goods, for example, those regulating hazardous and toxic substances. The packaging of the Goods must be environment-friendly (no polystyrene, shrink-wrap, PVC, etc.; the bags and stretching and shrink wraps must be made only of polyethylene). If Seller uses returnable packaging, it shall be obliged to mark it with a number, the packaging owner, the relevant project, and a pictogram indicating that it is returnable packaging. Any returnable packaging without the relevant marking as per the foregoing shall be treated as non-returnable. By confirming these Business Conditions, Seller declares that it meets the requirements imposed by the laws pertaining to the handling of waste. The packaging of the Goods must also contain details of the gross weight of the Goods and the dimensions of the packaging furnished with a label or marked in colour or in another visible and legible manner; an exception to this shall be Goods packed in packaging (for example, bags) which, by its nature, does not objectively pose any risk of injury to Buyer when it is handled and the gross weight of which does not exceed 5 kg. Any Goods without the stated elements on their packaging shall be considered as defective.

- 4.6. **Returnable Packaging Disposal at Seller's Cost.** Seller shall be obliged to ensure (from Buyer's place of delivery) the disposal of returnable packaging, about which Buyer shall declare in writing that it does not need it anymore. The returnable packaging shall be removed by Seller or Seller's designated person at Seller's cost and risk and at the latest with the next delivery of Goods to Buyer's place of delivery, unless another date for disposing of such packaging is specified by Buyer in writing. If Seller fails to ensure the disposal of returnable packaging on the dates according to the second sentence of this clause, Buyer shall be entitled to demand that Seller pays for the cost associated with storing the returnable packaging. This cost shall be payable within 30 days of Delivery of its billing. The risk of damage shall be borne by Seller, and Buyer shall not be obliged in any way to take care of the returnable packaging. If Seller fails to remove the returnable packaging within 02 months of the date determined according to the first sentence of this clause, Buyer shall be entitled to take such returnable packaging back to Seller's registered address at Seller's cost and risk.

If the returnable packaging has been charged to Seller by Buyer, for example, along with the Goods, Seller shall be obliged to deliver to Buyer a credit note for the cost of the removed returnable packaging at the latest within 30 days of its removal. Seller shall be entitled to reduce the payment for returnable packaging in the event of its wear and tear and depending on the extent of such wear and tear, but at the most by 20 % of the charged value. If the credit note is not delivered to Buyer within the stated time, Buyer shall be entitled to set the payment for the returnable packaging against any due, undue, valid or statute-barred claim of Seller.

5. Goods-related Documents

- 5.1. **Goods-related Documents.** Along with the Goods, Seller shall be obliged to deliver to Buyer the documents expressly stated in the Purchase Contract. If no such documents are expressly stated in the Purchase Contract, Seller shall be obliged to provide Buyer with all documents necessary to take over, freely handle, declare and use the Goods, in particular, the documents regulating the technical

conditions of the installation, operation and maintenance of the Goods and the storage conditions. The necessary elements of a delivery shall include the corresponding delivery note, which must always contain at least the delivery note number, the order number, the contract number (if stated in the order), the item name, the order line position number, the item ID in Buyer's form, the item serial number (if stated), the quantity of the delivered Goods, and the measurement unit.

- 5.2. **Certificates.** Seller shall provide Buyer with the certificates pertaining to the Goods and stated in the Purchase Contract or required for the relevant Goods pursuant to legislation. These certificates shall be handed over by Seller to Buyer so that the latter always has valid certificates at its disposal. The certificates pursuant to this clause shall mean, in particular, the declaration of conformity of the products, systems, etc. If gluing or welding technology is used in the production of the Goods delivered by Seller, Seller shall always have at its disposal such gluing/welding systems and certificates as stated in the design documentation or, possibly, the Purchase Contract. In the event of a change to the gluing/welding system, Seller undertakes to notify Buyer of this fact immediately and, at the same time, deliver the valid gluing/welding certificates.
- 5.3. **Cooperation in Arrangement of Documents.** Seller shall be obliged to provide Buyer, at the latter's request, with all assistance in the arrangement of the documents or the relevant electronic messages issued in the Czech Republic or the country of origin of the Goods, which Buyer may demand for exporting or importing the Goods and, if necessary, for transiting the Goods through the territory of a third state.
- 5.4. **Form; Certain Elements of Documents.** The documents which Seller is obliged to deliver to Buyer pursuant to the Purchase Contract must be legible, well-arranged and flawless. The documents must be delivered in writing in the form of a hard copy, which cannot be replaced with a record on an information data carrier. If Buyer so requests, Seller shall be obliged to deliver the documents to Buyer also in the form of a record on an information data carrier in a freely accessible data format. Seller shall be obliged to deliver the documents relating to the Goods in language versions as determined by Buyer. The cost for the execution and delivery of all documents in the necessary number, including their corrections, supplements, replacement delivery, and delivery in the form of a record on an information data carrier shall be borne by Seller. Upon the delivery of the documents to Buyer, they shall become Buyer's property and Buyer shall be entitled to handle them at will.
- 5.5. **Compensation for Costs.** All costs, such as customs duty and storage and other fees, incurred by Buyer as a consequence of late delivery of the relevant documents by Seller shall be charged to Seller and Seller hereby expressly undertakes to pay them. If such costs are paid for by Buyer, Seller undertakes to compensate the former accordingly.

6. Place of Delivery of Goods; Due Delivery of Goods

- 6.1. **Place of Delivery.** Unless stipulated otherwise in the Purchase Contract and unless Buyer specifies another place of delivery at any time prior to the delivery, Seller shall be obliged to deliver the Goods to Buyer, at its own cost, to the relevant Buyer's registered address.
- 6.2. **Delivery Clause.** The delivery of Goods shall be governed by the DDP (delivered duty paid) delivery term – place of delivery the respective Buyer, according to INCOTERMS 2010.

6.3. Delivery of Bulk Goods. If Seller delivers a quantity of the Goods higher than that ordered by Buyer in the Purchase Contract, Buyer shall not be obliged to buy the excess Goods, unless Buyer has expressly consented thereto prior to the delivery of the Goods. The acceptance of excess Goods by Buyer shall not be considered as purchase of the Goods. Seller shall be obliged to take the excess Goods back without undue delay, at its own cost, and without being called on to do so by Buyer, unless Buyer notifies in writing that it wants to retain the excess Goods and pay Seller the Purchase Price for them.

6.4. Contractual Penalty. If Seller fails to fulfil its obligation to deliver the Goods specified in the relevant Purchase Contract to Buyer in a due and timely manner, Buyer shall be entitled to demand that Seller pays a contractual penalty of 0.5 % of the purchase price of the Goods (regardless of any possible discounts on the purchase price) with the delivery of which Seller is in default for each day of default.

7. Date of Performance

7.1. Delivery on Working Days and during Operating Hours. If the place of delivery of the Goods is Buyer's registered address or place of business, Seller shall be obliged to deliver the Goods on working days and during Buyer's usual operating hours, i.e. between 06:00 and 14:00 hours, unless otherwise determined by Buyer. After 14:00 hours, the receipt of Goods is possible only by prior agreement by phone between Seller and the head of Goods Reception. Seller's request for delivering the Goods after 14:00 hours may be submitted every working day no later than by 13:30 hours. No unreported arrival after 14:00 hours shall be checked in on the arrival date.

7.2. Notice of Date of Delivery of Goods. Seller shall be obliged to notify Buyer, at least 07 days prior to the delivery of the Goods, of when the Goods shall be delivered to Buyer's place of delivery and for Buyer's disposal.

8. Warranty

8.1. Goods Warranty. Seller provides Buyer with a warranty for the delivered Goods. Seller guarantees that the Goods delivered pursuant to the Purchase Contract shall be fit for use for the purpose stipulated in the Purchase Contract, otherwise for usual purposes, and that they will retain the properties stated in the Purchase Contract. If certain properties are not stated in the Purchase Contract, Seller guarantees to Buyer that the Goods delivered pursuant to the Purchase Contract shall retain their usual properties during the warranty period.

8.2. Warranty Period Duration and Commencement. The duration of the warranty period shall be stated in the Purchase Contract. If no express warranty period is stated in the Purchase Contract, it shall be 36 months from the date of due delivery of the Goods. This warranty period shall always be extended by the period from the date of due delivery of the Goods until the date when the warranty period for Buyer's product for the production of which the Goods delivered by Seller have been used or of which the Goods are part commences, but at the most for 60 months from the date of due delivery of the Goods.

9. Liability for Defective Goods

9.1. To avoid any doubt, the Contracting Parties explicitly rule out the application of Sections 1965, 2103, 2104, 2105, 2106, 2107 and 2112 of the Civil Code.

9.2. Notice of Defective Goods. If Buyer discovers defects in the delivered Goods, it shall, unless the Purchase Contract or these Business Conditions stipulate otherwise, draw up a notice of defects containing details of the delivered Goods, the person who discovered the defect, the date of discovery of the defect, and its consideration of the nature of the defect. Buyer shall deliver such notice to Seller without undue delay, along with a call for Seller to propose the method of elimination of the defect and rectification of the defective state.

9.3. Defect Notice Form and Delivery. The notice of defects may be delivered to Seller in writing. A notice sent electronically or by telefax must be confirmed by Seller immediately upon Delivery.

9.4. Seller's Obligations: Notification of Proposal for Method of Eliminating Defects. Seller undertakes and declares that it shall fulfil the following obligations within the time-limit stated in the Purchase Contract, otherwise within 24 hours of Delivery of the notice of defects pursuant to paragraphs 9.2 and 9.3 of these Business Conditions and in compliance with Buyer's instructions:

- a) arrive at the place specified by Buyer for the purpose of checking the Goods and examining the defects reported by Buyer in the notice of defects in more detail and inform Buyer about its proposal for a concrete method of eliminating the defects in Goods;
- b) notify Buyer of the proposal for a concrete method of eliminating the defects in the Goods with maximum effort and care and with regard to the technological time-limits, including the planned dates of implementation of the corrective measures;

-at Seller's costs.

9.5. Choice of Entitlement in Liability for Defects; Determination of Defect Elimination Method and Time. The choice of the entitlement in the liability for defective Goods and the choice of the method of eliminating the discovered defects shall be at Buyer's sole discretion, whereupon Buyer shall not be bound by Seller's proposals. Buyer shall be obliged to notify Seller in writing, within 48 hours of Seller's notice pursuant to paragraph 9.4 of these Business Conditions, that:

- a) it agrees with the method of eliminating the defects in the Goods as proposed by Seller, and shall set a time-limit for the elimination; or
- b) it does not agree with the method of eliminating the defects in the Goods as proposed by Seller, and shall set a time-limit for the elimination; or
- c) it is asserting an entitlement in the liability for defective Goods pursuant to paragraph 9.6 of these Business Conditions other than the entitlement to the elimination of defects in the Goods.

If Seller is in default with fulfilling the obligation pursuant to paragraph 9.4 of these Business Conditions, Buyer shall be entitled to choose the entitlement in the liability for defects or the method of eliminating the respective defect and the time-limit for fulfilment within 24 hours of the day on which the time-limit for fulfilling the obligation stated in paragraph 9.4 of these Business Conditions expired in vain. The method of eliminating the defect and the time-limit for its elimination set by Buyer pursuant to this paragraph points a) and b) and the choice of the entitlement in the liability for defects pursuant to point c) shall be binding upon Seller.

9.6. Entitlements in Liability for Defects. Regardless of the nature of a defect and the gravity of the breach of the Purchase Contract as a consequence of the defect, Buyer

shall always be entitled to:

- a) demand the elimination of the defect through the delivery of replacement Goods in exchange for the defective ones or the delivery of missing Goods;
- b) demand the elimination of legal defects;
- c) demand the elimination of the defect in the Goods by their repair if the defect is repairable;
- d) demand a reasonable reduction in the purchase price;
- e) withdraw from the Purchase contract;
- f) check the Goods, on its own or through another person and at Seller's cost and, possibly, according to Seller's instructions if needed, and undertake the necessary acts to examine the defect and sort out, repair or ensure replacement delivery without these measures implemented by Buyer affecting the warranty of the delivered Goods. Seller undertakes to provide Buyer with full compensation for any and all costs incurred as a result. In such case, Buyer shall be obliged to duly substantiate the cost according to the previous sentence and ensure the documentation from which the defect in the Goods is apparent (photo documentation, video documentation, etc.);

-whereupon, the choice among these entitlements shall be at Buyer's sole discretion

Regardless of which entitlement has been chosen by Buyer, Buyer shall be entitled to charge Seller a lump-sum compensation of CZK 1,000 for the assertion of any right in the liability for defects. The lump-sum compensation shall be payable within 30 days of Delivery of its billing to Seller.

- 9.7. Additional Choice of Entitlement in Liability for Defects. If it is additionally proven that the defects in the Goods are not repairable or that the repair entails unreasonable costs, Buyer may demand the delivery of replacement Goods or assert another entitlement in the liability for defects pursuant to paragraph 9.6 if it communicates this decision to Seller without undue delay of being notified of the stated fact by Seller.
- 9.8. Failure to Eliminate Defects in Goods. If Buyer asserts the entitlement in the liability for defects as per paragraph 9.6 a), b) and c) of these Business Conditions and Seller fails to eliminate the defects in the Goods in a manner and within the time-limit set by Buyer or Seller notifies Buyer, prior to the expiration of such time-limit, that it will not eliminate the defects, Buyer may:
 - a) withdraw from the Purchase Contract; or
 - b) assert any other entitlement as per paragraph 9.6 of these Business Conditions
- 9.9. Withholding Payment of Purchase Price until Elimination of Defects. Until all defects in the Goods are eliminated, Buyer shall not be obliged to pay Seller the purchase price of the defective Goods, which has not yet been paid to Seller.
- 9.10. Type Defect. If the subject of any delivery or recurring deliveries are Goods of the same type and an identical defect occurs in at least 10 % (but at least 2 items or, possibly, another measurement unit) of the total quantity of the delivered Goods of such type on the basis of all deliveries and/or of the deliveries carried out during 12 consecutive months identified by Buyer, such defect shall be considered as a Type Defect (and all Goods of the same type that have already been delivered shall be considered as defective). Buyer is entitled to claim a Type Defect to

Seller no later than 5 years after the end of the warranty period of Goods. If a Type Defect occurs in delivered Goods of the same type, Seller shall be obliged, unless an entitlement other than that pursuant to paragraph 9.6 of these Business Conditions is determined by Buyer in relation to the entire defective delivery of Goods or its part, to ensure for Buyer an entire replacement delivery of the Goods corresponding to the Purchase Contract within 14 days of discovery of the Type Defect and at its own cost. If Seller fails to fulfil this obligation, Buyer shall be entitled to withdraw from the Purchase Contract after the time-limit set for Seller to deliver the replacement performance expires in vain.

- 9.11. Recurring Defect. If an identical defect in the Goods occurs within 05 days of its elimination by Seller, such defect shall be considered as not eliminated with all consequences ensuing therefrom (in particular, the assertion of entitlements in the liability for defects or liability for damages).
- 9.12. Buyer's Other Rights. Alongside the entitlements in the liability for defects, Buyer shall be entitled to demand that Seller pay a contractual penalty of 0.5 % of the purchase price of the defective Goods in the event of its default with fulfilling its obligations ensuing from liability for defects (despite any possible discounts in the purchase price) and for each day of default with such obligations.

10. Purchase Price

- 10.1. Purchase Price. Buyer shall be obliged to pay Seller the purchase price specified in the Purchase Contract. The purchase price shall include all costs associated with the Goods, including the cost of their packaging, transport and insurance and the cost associated with the arrangement of Goods-related documents, labelling, customs duty, storage fees, etc. Seller undertakes to deduct from the purchase price the reduction to which the Buyer is entitled pursuant to the Purchase Contract or any other agreement, even if Buyer does not call on Seller to deduct the relevant reduction or does not specify its concrete amount. Seller shall be responsible for the correct calculation of the reduction.
- 10.2. Original Invoice. Buyer shall pay the purchase price via a non-cash transfer and only on the basis of an original invoice. The Contracting Parties agree to issue and send each other the accounting documents in electronic form. Until Seller delivers an original invoice to Buyer, Buyer shall not be obliged to pay the purchase price to be charged by the relevant invoice in default.

Unless it is otherwise apparent from the relevant agreement between the Contracting Parties, the terms 'invoice' and 'accounting document' shall be considered as synonymous.
- 10.3. Certain Invoice Elements. Seller shall be entitled and obliged to issue an invoice for the purchase price as soon as the Buyer is obliged to pay the purchase price. The invoice must contain the elements of an accounting document, i.e. in particular:
 - a) order number;
 - b) Goods identification and specification, including the serial number;
 - c) quantity of the Goods;
 - d) unit purchase price of the Goods;
 - e) discount to which Buyer is entitled;
 - f) total purchase price of the Goods after discount.

The document proving the due delivery of the Goods and confirmed by Buyer must be attached to the respective invoice.

Seller shall be obliged to issue a separate invoice for each Purchase Contract.

- 10.4. Invoice Correction/Completion. If the invoice issued by Seller does not contain the prescribed elements, contains data contrary to the Purchase Contract or these Business Conditions or does not meet any other conditions stated in paragraph 10.3 of these Business Conditions, it shall not be accepted and paid by Buyer and Buyer shall return it to Seller immediately for completion or correction without being in default with paying the purchase price.
- 10.5. Purchase Price Maturity. The maturity of the purchase price shall be stated in the Purchase Contract. If no maturity/due date is stated in the Purchase Contract, Buyer shall be obliged to pay the purchase price within 90 days of Delivery of the due invoice. If the invoice is corrected or completed, the moment of Delivery of a new due invoice shall be considered as the date of Delivery of a due invoice.
- 10.6. Notice of Insolvency and Liability for VAT. Seller undertakes to notify Buyer, without undue delay, of its insolvency or an apparent threat of insolvency or any other fact which could affect, in particular, the due and timely fulfilment of the Purchase Contract and the levy of value added tax ("VAT"). In the event of suspicion or an apparent threat of Seller's insolvency or suspicion of the non-payment or evasion of VAT or the extraction of any tax benefit, Buyer shall be entitled to levy VAT on the implemented taxable supplies directly to the competent Tax Office. In such case, Buyer shall communicate this fact to Seller without undue delay. Once VAT is credited to the Tax Office's account, Seller's claim towards Buyer in the extent of the paid VAT shall be considered as paid regardless of the provisions of the Purchase Contract or these Business Conditions. Concurrently, Seller shall notify Buyer immediately of whether the payment so made is recorded by its tax administrator.
- 10.7. Payment of Purchase Price. In the event of non-cash payment, the day on which the purchase price was debited from Buyer's account by Buyer's payment service provider shall be considered as the day of payment of the purchase price.
- 10.8. Set-off of Claims. Buyer shall be entitled to unilaterally set off any of its claims or claims acquired by assignment, both due and undue and valid or statute-barred, towards Seller against Seller's claims pursuant to the Purchase Contract or these Business Conditions or in relation to them. Seller shall not be entitled to unilaterally set off its claims against Buyer's claims pursuant to the Purchase Conditions or these Business Conditions or in relation to them.
- 10.9. Assignment of Seller's Claims. Seller shall be entitled to assign its claims towards Buyer pursuant to the Purchase Contract or these Business Conditions or in relation to them only with Buyer's prior express consent.
- 10.10. Pledging of Seller's Claims. Seller undertakes not to encumber in any way its claims against Buyer pursuant to the Purchase Contract or these Business Conditions or in relation to them with a lien to the benefit of any third party.
- 10.11. Contractual Penalty. If Seller sets off, assigns or pledges claims towards Buyer pursuant to the Purchase Contract or these Business Conditions contrary to paragraph 10.8, 10.9 or 10.10 of these Business Conditions, Buyer shall be entitled to a contractual penalty of 20 % of the claim which was the subject of the set-off, assignment or pledge.

- 10.12. Contractual Penalty and Statutory Interest. In the event of Buyer's default with paying the due purchase price, Seller shall be entitled to a contractual penalty of 0.01 % of the amount due for each commenced day of default and the statutory default interest.

11. Purchase Contract Termination

- 11.1. Withdrawal from Purchase Contract. Unless the Purchase Contract or these Business Conditions stipulate otherwise, Buyer shall be entitled to withdraw from the Purchase Contract in compliance with the laws of the Czech Republic and, also, prior to the due delivery of Goods without stating a reason. In such case, Buyer shall be obliged to compensate Seller for the cost purposefully spent on the fulfilment of the Purchase Contract, at the most equal the purchase price stated in the cancelled Purchase Contract. Seller shall be obliged to send Buyer a written calculation of the cost according to the first sentence of this clause, along with the documents proving the payment of such cost, within 14 days of the day on which Seller was delivered the notice of withdrawal; otherwise, this entitlement of Seller pursuant to this clause of these Business Conditions shall be considered as expired. If Buyer withdraws from any Purchase Contract due to a reason on Seller's part and, for such reason, the already delivered Goods lose their economic importance for Buyer (for example, due to the need to comply with the unification of Buyer's final products towards its customers), Buyer shall be entitled to withdraw from all other Purchase Contracts (in whole or in part) pursuant to which the deliveries of the same Goods have already taken place or shall take place, even without stating a reason. In such case, Buyer shall not be obliged to compensate Seller for any cost.
- 11.2. Persisting Claims and Arrangements. Upon withdrawal, the Purchase Contract, part of which shall be these Business Conditions, shall terminate. However, the following shall survive upon withdrawal or other form of termination of the Purchase Contract:
- a) entitlements/claims ensuing from liability for defective Goods;
 - b) provisions pertaining to warranties and liability for defects;
 - c) provisions pertaining to the obligation to maintain confidentiality and protect know-how;
 - d) entitlements to compensation for damages ensuing from a breach of the Purchase Contract;
 - e) other entitlements/claims as stipulated in the relevant laws.
- 11.3. Goods after Passage of Title. Unless otherwise stipulated in the Purchase Contract, the delivered Goods the title to which passed or was transferred to Buyer prior to the withdrawal from the Purchase Contract:
- a) shall remain Buyer's property after a withdrawal from the Purchase Contract, in which case Seller shall be entitled to pecuniary performance up to the value at which Buyer benefited from the used Goods; if the purchase price has already been paid for such Goods, Seller shall be obliged to return to Buyer the difference between the purchase price and the entitlement to compensatory pecuniary performance according to the previous sentence. If the purchase price of these delivered Goods has not been paid prior to a withdrawal from the Purchase Contract, Buyer shall be obliged to provide Seller with compensatory pecuniary performance reduced by any possible entitlements of

Buyer to a contractual penalty, damages, etc.; or

- b) may be returned by Buyer to Seller after a withdrawal from the Purchase Contract; at the same time, Seller shall be obliged to return to Buyer the purchase price or its part already paid.

11.4. Settlement between Contracting Parties. In the event of a withdrawal from the Purchase Contract, the Contracting Parties shall be obliged to settle their claims in the manner and within the time-limits specified by Buyer. Within 30 days of the effective date of a withdrawal from the Purchase Contract, Buyer shall be obliged to duly notify Seller in writing of how the mutual relationships will be settled. In the written notice of settlement, Buyer shall:

- a) define the Contracting Parties' mutual claims arisen as a consequence of the withdrawal from the Purchase Contract or the persisting mutual claims arisen pursuant to the Purchase Contract, in particular, those for the return of Goods, return of other performance provided pursuant to the Purchase Contract, for replacement financial performance, for payment of contractual penalties, for compensation for damages, or claims ensuing from liability for defective Goods, etc.;
- b) set adequate time-limits for fulfilling the Contracting Parties' mutual obligations ensuing from the mutual settlement.

The settlement method and the time-limits set by Buyer shall be binding upon the Contracting Parties. The cost associated with the withdrawal from the Purchase Contract and the possible return of the provided performance shall be duly borne by Seller.

12. Know-how

12.1. Buyer's Technical and Other Documentation. All technical and other documentation delivered by Buyer to Seller in relation to the Goods for the purpose of fulfilling the Purchase Contract shall remain Buyer's sole property. The subjects of Buyer's sole ownership shall be all technical solutions and other solutions and procedures depicted by the technical documentation, whereupon Buyer shall not grant Seller, in relation to the stated know-how, any license or intellectual property rights, etc.

12.2. Use of Buyer's Technical and Other Documentation by Seller. Seller shall not be entitled to make the technical and other documentation within the meaning of paragraph 12.1 of these Conditions public or disclose it to any third party or use it to the benefit of any third party. Seller shall be entitled to use such documentation only in relation to the Goods for the purpose of fulfilling the Purchase Contract. This obligation shall not apply to administrative or other public authorities or bodies if these perform legal inspections or other supervision in compliance with the relevant laws. After the fulfilment of the Purchase Contract or its termination in any other way, Seller shall be obliged to return this documentation to Buyer and destroy all copies made to fulfil the Purchase Contract.

12.3. Further Technical and Other Documentation. Seller undertakes not to make public or disclose to any third party or use to the benefit of any third party any other technical and other documentation which is not stated in paragraph 12.1 of these Business Conditions (in particular, the documentation developed by Seller for the purpose of fulfilling the Purchase Contract and which has been developed, funded or co-funded by Buyer). Seller shall be entitled to use this documentation only in relation to the Goods for the purpose of fulfilling the Purchase Contract. After the fulfilment of the Purchase Contract or its

termination in whatever manner, Seller shall be obliged to hand over this documentation to Buyer free of charge, transfer to Buyer the title thereto, and destroy all possible copies made by Seller to fulfil the Purchase Contract.

12.4. Contractual Penalty. If Seller fails to fulfil its obligations pursuant to paragraph 12.1, 12.2 or 12.3 of these Business Conditions, Buyer shall be entitled to demand that Seller pay a contractual penalty of CZK 100,000 for each individual breach of such obligations, including repeatedly. To avoid any doubt, the Contracting Parties explicitly declare that the obligations pursuant to paragraph 12.1, 12.2 or 12.3 of these Business Conditions shall not cease to apply after payment of the contractual penalty.

13. Rights to Industrial or Other Intellectual Property

13.1. Seller undertakes to make sure that no provisions of the Purchase Contract or their application unlawfully interfere with any third party industrial or intellectual property legally protected by the laws of any state.

13.2. Authorization. Seller hereby expressly declares that it is fully authorized to apply the industrial and intellectual property rights to the Goods and undertakes to ensure undisturbed use of the Goods by Buyer or Buyer's customers and the transfer of the Goods by Buyer to third parties.

13.3. Copyleft Effect. Alongside the warranties stated above, Seller undertakes to make sure that no Goods include a component which is the subject of an open-source license the integral condition of which would be, if the Goods are used, including only in part, the obligation to ensure free distribution of which the subject of the open-source license is part ("Copyleft Effect").

13.4. Right of Use. Seller declares that the Goods shall belong to Buyer from the date of their takeover and with an exclusive and unlimited right of use to the broadest extent possible in compliance with the relevant laws regulating the relevant type of industrial or intellectual property. The right to use the Goods shall be time- and territory-unlimited, shall be transferred free of charge, shall be transferable and include the right to sublicense it, and shall be assignable without the need for the industrial or intellectual property originator or owner's consent. Any remuneration for the provision of these rights shall be included in the purchase price of the Goods.

13.5. Damages. Seller also undertakes to make sure that no damages are inflicted on Buyer or any other person as a consequence of any possible breach of the obligations stated in this Article by Seller or as a consequence of any of Seller's declarations being false. Seller expressly undertakes to provide Buyer with compensation for all damages caused as a result of a breach of these obligations or the declarations being false and all damages and costs incurred on Buyer as a consequence of the assertion of third party rights towards Buyer, any of Buyer's customers, or any Concern company.

13.6. Contractual Penalty. At the latest on the delivery of the Goods to their place of delivery, Seller shall be obliged to notify Buyer in writing of the nature and scope of the copyright and industrial protection of the Goods or, possibly, the technical documentation. If the delivered Goods or the technical documentation are not the subjects of industrial protection of Seller or any third parties, Seller shall be obliged to issue for Buyer, at the latest on the delivery of the Goods to their place of delivery, a written declaration that the delivered Goods or their part or the technical documentation are not the subjects of industrial protection of Seller or third parties and do not contain any other

industrial legal defects. If this declaration is false, Buyer shall be entitled to demand that Seller pay a contractual penalty of CZK 100,000.

14. Other Provisions

- 14.1. Inspection at Seller's or Subcontractors' Premises. Buyer or the third parties authorized by Buyer shall be entitled to directly inspect, on working days and during the usual working hours, the observance of the obligations by Seller and its individual subcontractors.

15. Liability for Damages and Costs; Insurance

- 15.1. Liability for Damages. The Contracting Parties agree that for the purpose of determining the scope of compensation for damages incurred as a consequence of Seller's breach of the Purchase Contract, which shall be governed by these Business Conditions, Seller shall be liable for all damages inflicted on Buyer, its customers or any parties in relation to the breach of Seller's obligations pursuant to the Purchase Contract, including damages exceeding the damages which could have been foreseen by Seller as a possible consequence of the breach of its obligations and including Force Majeure events. Seller shall be obliged to provide Buyer with compensation for damages, in particular, including all sums spent by Buyer in relation to the breach of Seller's obligations pursuant to the Purchase Contract, the cost of Buyer's proceedings conducted in relation to the breach of the obligations pursuant to the Purchase Contract, as well as all costs incurred in relation to defective Goods, including the cost of dismounting the Goods, the cost of re-assembling the Goods, and the cost of putting the final product, in which the defective Goods have been built, out of operation. Seller undertakes to compensate Buyer for all damages within 30 days of Delivery of Buyer's written notice.
- 15.2. Costs. If Buyer's employees perform work or other activities due to a breach of the Purchase Contract or these Business Conditions, Seller shall be obliged to pay for such cost as per Buyer's billing made according to the pricelist stated in paragraph 22.1 of these Business Conditions. Seller undertakes to pay for the cost within 30 days of Delivery of its billing by Buyer. Buyer's right to compensation for any other damages shall not be affected thereby.
- 15.3. Insurance. Seller undertakes to take out, at the latest on the date of signing the Purchase Contract and to sufficient extent, insurance against damages caused by defective Goods and operation-related damages as applicable to the given type of Seller's Goods and operating activity. In the event of Buyer's notice, Seller also undertakes to demonstrably substantiate the conclusion of insurance - through a certified copy of the concluded insurance contract or the insurance company's written confirmation of the conclusion of an insurance contract, its subject, the insurance benefits and other relevant facts as requested by Buyer. The insurance stated above must be maintained valid and uninterrupted by Seller throughout the term of the Purchase Contract and it must inform Buyer immediately in the event of any changes therein. In the event of a breach of any obligation stipulated in this clause, Buyer shall be entitled to demand that Seller pay a contractual penalty of CZK 10,000 for each case of a breach.

16. Force Majeure and Changed Circumstances

- 16.1. Force Majeure. In the event of Force Majeure, the time-limits stated in the Purchase Contract or these Business Conditions shall be extended by the period for which the

particular Force Majeure event persists. Seller shall be obliged to notify Buyer in writing of the occurrence and termination of Force Majeure without undue delay. Seller shall be obliged to notify Buyer in writing and without undue delay of the occurrence and termination of Force Majeure on the part of its subcontractors. In particular, events such as lockout, late deliveries on the part of subcontractors (unless caused by Force Majeure), insolvency or insufficient labour force or material shall not be considered as Force Majeure. Force Majeure shall mean, in particular, events such as an earthquake, floods, extensive fire, or war.

- 16.2. The Contracting Parties declare to be aware of the existence of the epidemic of coronavirus known as SARS CoV-2 (causing COVID-19 disease, as the virus may sometimes be called in practice) and the related emergency measures, other measures, regulations, administrative acts or interventions by public authorities of the Czech Republic or other states, as well as the fact that such emergency measures may evolve in the future, including a number of direct or indirect impacts on the economic or political situation, especially supply chains (e.g. deficiencies in supplies by subcontractors), shortages of labour or material, lack of financial liquidity or other impacts ("**Coronavirus Impacts**"). Hence, the Coronavirus Impacts are not deemed unforeseeable and the performance due dates, price/remuneration and other terms and conditions under the Purchase Contract were agreed already taking into account the Coronavirus Impacts. The Seller is not entitled to demand a modification of the terms hereunder or rely on the force majeure provisions solely on the Coronavirus Impacts grounds under Article 16.1 of Business Conditions.
- 16.3. Changed Circumstances. Seller shall assume the risk of changed circumstances after the conclusion of the Purchase Contract.

17. Trade Secret

- 17.1. Trade Secret. All information handed by Buyer to Seller shall be considered as confidential and as a trade secret. Seller undertakes not to disclose the existence or the contents of any contract concluded between Buyer and Seller to any third parties. Without Buyer's prior express consent in writing, Seller must not disclose to any third party any information or documents relating to any contract between Buyer and Seller which has been handed or otherwise disclosed to Seller. Buyer's prior express consent in writing shall also be necessary if Seller's information is to be disclosed to Seller's subcontractors in relation to the fulfilment of any contract between Buyer and Seller.
- 17.2. Contractual Penalty. In the event of a breach of the obligations stated in paragraph 17.1 of these Business Conditions, Buyer shall be entitled to demand that Seller pay a contractual penalty of CZK 100,000 for each individual breach of such obligations, including repeatedly.
- 17.3. Duration. The obligations ensuing from this Article shall remain valid even after the termination of any contract between Buyer and Seller.

18. Governing Law

- 18.1. Governing Law. The rights and obligations of the Contracting Parties, including the Purchase Contract and its validity and effect, shall be governed by the laws of the Czech Republic, with the exclusion of the conflict of rules and the UN Convention on Contracts for International Purchase of Goods.
- 18.2. Civil Code. The reference in these Business Conditions to

the Civil Code shall mean Act No. 89/2012 Coll., the Civil Code, as amended.

- 18.3. INCOTERMS 2010. If the Purchase Contract contains a reference to INCOTERMS 2010, it also refers to the International Rules of Interpretation of the delivery clauses of INCOTERMS 2010 and the publications of the International Chamber of Commerce in Paris, by the use of which in the Purchase Contract the provisions contained in respect of which INCOTERMS clause shall become part of the Purchase Contract.

19. Arbitration Clause

- 19.1. Arbitration Clause. The Contracting Parties hereby undertake to make all efforts to settle any disputes ensuing from, or relating to, the Purchase Contract solely amicably. The Contracting Parties further agree that if they fail to settle any dispute or claim ensuing from, or relating to, the Purchase Contract amicably, they shall submit it to the Arbitration Court attached to the Economic Chamber of the Czech Republic and the Agrarian Chamber of the Czech Republic ("Arbitration Court") for a final decision in arbitration proceedings. The arbitration proceedings shall be conducted pursuant to the Arbitration Court's Rules and Regulations and by a panel of three arbitrators. Each Contracting Party shall appoint one arbitrator and these arbitrators shall then appoint the third arbitrator who shall be the chairman/chairperson of the panel of arbitrators. If the appointed arbitrators fail to agree on the presiding arbitrator within 15 days of appointment or either Contracting Party fails to appoint its arbitrator within 30 days of Delivery of the other Contracting Party's notice, the relevant arbitrator shall be appointed by the Chairman of the Arbitration Court pursuant to the Arbitration Court's Rules and Regulations. The venue of the arbitration proceedings shall be Prague, Czech Republic, and the language of the arbitration proceedings shall be Czech. The arbitration award handed down by the arbitrators shall be the final decision on merit and shall be binding on the Parties.

20. Severability Clause; Interpretation and Changes

- 20.1. Severability Clause. If any provision of the Purchase Contract or these Business Conditions is or becomes invalid or ineffective, the validity and effect of the other provisions of the Purchase Contract and these Business Conditions shall not be affected. In such case, the Contracting Parties undertake to agree to replace the invalid or ineffective provision with a new provision the purpose of which corresponds to that envisaged by the original provision to the fullest extent possible.
- 20.2. Interpretation. The Contracting Parties do not wish that any rights or obligations be deduced from the existing or future practise introduced between the Contracting Parties or from the use recognized generally or in the industry relating to the subject of performance of the Purchase Contract beyond the express provisions of the Purchase Contract and these Business Conditions, unless expressly stipulated otherwise in the Purchase Contract or these Business Conditions. Alongside the foregoing, the Contracting Parties confirm that they are not aware of any business use or practise so far introduced between them.
- 20.3. Changes. Any changes in, or amendments to, the Purchase Contract or these Business Conditions must be made in writing.

21. Limitation Period; Contract Assignment

- 21.1. Limitation Period. Unless otherwise stipulated in the Purchase Contract, the limitation period applicable to both Contracting Parties shall be 4 years.

- 21.2. Assignment of Contract by Buyer. Buyer shall be entitled to transfer its rights and obligations ensuing from the Purchase Contract or its part to a third party. By signing these Business Conditions, Seller grants Buyer its express consent to such transfer. The assignment of the contract shall be effective towards Seller at the moment of Delivery of Buyer's notice of assignment of the Purchase Contract to Seller or at the moment at which the third party proves the assignment of the Purchase Contract to Seller. Seller and Buyer agree that in the event of the assignee's failure to fulfil any of the assumed obligations, Seller cannot demand that the respective obligation is fulfilled by Buyer instead of the assignee.

22. Documents for Seller (supplier)

- 22.1. Documents. Seller acknowledges the following social responsibility (CSR) and quality management documents of Concern companies.

- a) Code of Conduct of the ŠKODA TRANSPORTATION Group;
- b) Supplier Manual;
- c) Pricelist of Works; and
- d) OHS, FP and Environmental Protection principles.

Seller acknowledges that the documents stated in paragraph d) of this clause shall apply in the specific company's valid version based on the relevant document name. The provisions of these Business Conditions shall prevail over the documents stated in this clause.

- 22.2. Website. All documents for Seller pursuant to paragraph 22.1 of these Business Conditions are stated in detail on Buyer's website. The Contracting Parties consensually declare that such form of reference to Seller-intended documents is possible between them for the purposes of these Business Conditions and the Contracting Parties consider it as sufficiently definite. By signing these Business Conditions, Seller declares that it has familiarised itself with Seller-intended documents prior to signing them, agrees with their contents and undertakes to observe them.

For Buyer's individual companies, Seller-intended documents can be found at the following website:

<http://www.skoda.cz/en/documents/documents-for-suppliers/>

If Seller finds out that the website stated above is not available or otherwise non-functional, it shall be obliged to inform Buyer without delay.

- 22.3. Contractual Penalties. In the event of a breach of the obligations stated in Articles 3, 5, 6 and 9 of the Supplier Manual, Buyer shall be entitled to demand that Seller pays a contractual penalty of CZK 10,000 for each individual breach of these obligations and even repeatedly.
- 22.4. OHS and FP. Seller also confirms that its employees will be trained in OHS and fire protection (FP) at Buyer's workplace prior to the commencement of their work and will comply with the generally binding laws and the internal regulations of Buyer's company pertaining to OHS and FP at Buyer's workplaces so as not to pose a threat to the life or health of its own employees and employees of Buyer.
- 22.5. Compliance Buyer. Buyer has adopted and complies with

the internal corporate compliance program which is designed in such a manner that activities of Buyer comply with rules of ethics, morals, applicable legal regulations and international treaties, including measures the objective of which is to prevent and detect their breach the Corporate Compliance program.

- 22.6. Compliance Seller. Seller (and any individual or legal entity that cooperates with said Contractual Partner and that is used for the fulfilment of obligations from this agreement or in relation to its conclusion and performance, i.e. employees, representatives, or external collaborators) observes and complies with applicable legal regulations, including international treaties, fundamental moral and ethical principles. Seller rejects any tortious acts and refrains from them. Namely, Seller will not allow, approve, or permit any direct or indirect act that would result in breach of any applicable legal regulations related to bribery or corruption by Seller or any of its employees, representatives, or external collaborators. This obligation is, namely, but not exclusively also related to any illegal influence, undue payments/payments without a legal title or a supply of such a character in relation to public servants, representatives of public authorities, families, or closer friends. If Seller acts for Buyer or on its behalf, Seller will demonstrate that it complies with principles stated.
- 22.7. Personal data protection. The principles of personal data protection of Buyer are available at <https://www.skoda.cz/en/protection-of-personal-data/> and Seller confirms that he is familiar with these principles.

Corporate Name:

ID:

Registered Address:

Entry in the Companies or other Reg.

Name, Surname and Title:

Date:

Signature: