

FEAG SLK Elektro s.r.o.

General Purchase Terms and Conditions

Version (Status): 01 June 2020

- A) The subject matter of these General Purchase Terms and Conditions (§ 273 of the Commercial Code) consists in the regulation of the legal relationships between a customer and a supplier arising during the delivery of goods and/or services by the supplier to FEAG SLK Elektro s.r.o. For the purposes of these General Purchase Terms and Conditions, customer shall mean FEAG SLK Elektro s.r.o., Elektrárėnská 10, 945 01 Komárno, registered in the Commercial Register of the Nitra District Court, Section: Sro, File No.: 1460/N, Reg. No.: 31420150, and supplier shall mean any legal entity or physical entity delivering goods (including the work) or a service to the customer.
- B) The application of any general trade terms and conditions (regardless of their name) of the other contracting party or any other general trade terms and conditions is hereby expressly excluded, unless the contracting parties agree otherwise in writing.
- C) Changes to these General Purchase Terms and Conditions or the exclusion of the application of any of their provisions are binding for the contracting parties only if the contracting parties have agreed on them in writing in a contract or in an order. Derogating arrangements confirmed in writing in the contract or in the order take precedence over the wording of these General Purchase Terms and Conditions.

1. Orders and order confirmation

- 1.1 If the supplier does not confirm an order in writing within seven days of delivery (order confirmation), the customer may cancel the order.
- 1.2 Deviations, changes, or addenda to the order stated by the supplier in the order confirmation become a part of the contract only when confirmed by the customer in writing. The customer is not bound by any general trade terms and conditions of the supplier, except when expressly approved by the customer in writing. The receipt of supplies, services, or payments does not represent such consent. Provisions from other documents of the supplier (e.g. specifications, data forms, technical documentation, advertising materials, order confirmation or delivery notes), which deviate from these General Purchase Terms and Conditions (e.g. in terms of the legal terms and conditions, responsibility, restriction of use) are not applied.

2. User rights

- 2.1 The supplier grants to the customer a non-exclusive, transferable, globally valid and unlimited right to:
- 2.1.1 use the supplies and services, including relevant documentation, integrate them into other products and distribute them;
- 2.1.2 install, put into operation, test, and operate software and relevant documentation (hereinafter jointly referred to as the "software");
- 2.1.3 grant a sub-license to the user rights stated in Point 2.1.2 to commercially related companies (hereinafter referred to as the "associated companies"), authorised third parties, distributors, and end customers;
- 2.1.4 The associated companies and other distributors are authorised to grant to the end customers the right of use pursuant to Point 2.1.2;
- 2.1.5 use and copy the software in order to integrate it into other products or to enable the associated companies, authorised third parties, or other distributors to use and copy it;
- 2.1.6 distribute, sell, rent, lease the software, make it available for downloading, or to make it available to the public, e.g. in the form of providing application services or other types of use, and to copy the software to the extent necessary, provided that the number of concurrently used licenses does not exceed the number of acquired licenses;
- 2.1.7 grant a sub-license for the user rights pursuant to Point 2.1.6 to the associated companies, authorised third parties, and distributors.
- 2.2 The customer, associated companies, and distributors are, in addition to the right granted in Point 2.1, entitled to allow the end customers to transfer individual licenses.
- 2.3 Any sub-licenses granted by the customer must provide adequate protection for the intellectual property of the software supplier, applying the same contractual provisions used by the customer to protect its intellectual property.
- 2.4 The supplier is obligated to inform the customer, no later than at the time of the order confirmation, whether the supplies include open source components (components with an open source code). This applies to software, hardware, and other information that are provided to any user free of charge with the right to modify or distribute them on the basis of a relevant license (e.g. GPL, LGPL, or MIT license). If the

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supplies include open source components, the supplier is obligated to meet the conditions of all relevant open source licenses and to provide the customer with all the rights and information necessary to meet such license conditions. The supplier must deliver to the customer, immediately after the order confirmation, the following:

- A document with a list of any contained open source components and their versions, the texts of all relevant licenses and information about copyrights and author's notes with the relevant structure and content, as well as
- the complete source code of the open source software, including scripts and information about a development environment, if required by the relevant licenses.

- 2.5 The supplier shall inform the customer in sufficient time, however no later than at the time of the written order confirmation, if it uses open source licenses with a so-called "copyleft effect", which can affect the customer's products in terms of the intended method of use. This is the case when the license conditions of the open source components used by the supplier require that the customer's products or products derived from them may be further distributed only when the license conditions for the open source are met, e.g. when running the source code. In such case, the customer is entitled to cancel the order within two weeks of the receipt of the complete information.

3. Deadline, contractual fine for the breach of duties

- 3.1 The timeliness of supplies is based on the time of receipt at the destination/place of delivery stated by the customer pursuant to the Incoterms © 2010. The timeliness of supplies with installation or assembly, as well as services, is based on the time of takeover by the customer.
- 3.2 If a delivery or a service is delayed, or in the case of additional performance, the customer must be immediately informed and their opinion must be requested.
- 3.3 If the delivery of performance or its part is delayed on the part of the supplier, the customer is entitled to charge, for each working day of delay, a contractual fine in the amount of 0.3% (zero point three percent) of the total contractual price of the performance ordered, however maximally up to 20% (twenty percent) of the total price of the performance ordered.
- 3.4 Further or other legal claims of the customer, including claims for damages, in addition to and beyond the contractual fine remain unaffected.

4. Transfer of risks, transport, place of performance, transfer of ownership

- 4.1 As far as deliveries with installation or assembly are concerned and as far as services are concerned, the risk is transferred to the customer at the time of receipt; as far as deliveries without installation or assembly are concerned, this occurs at the time of takeover by the customer at the destination/place of delivery in compliance with the Incoterms © 2010. Unless agreed otherwise in writing, APD (agreed destination) shall be applied pursuant to the Incoterms © 2010 if (a) the supplier's registered office and the destination are in the same country, or if (b) the supplier's registered office and the place of destination are located in the European Union. If the above-mentioned requirements are not fulfilled and unless agreed otherwise, DAD (delivery to the agreed destination) shall be applied pursuant to the Incoterms © 2010.
- 4.2 Unless agreed otherwise, the agreed remuneration includes the costs for appropriate packaging. If the transport costs are borne by the customer, the readiness for shipment with the data pursuant to Point 4.3 must be immediately announced. The supplier shall transport supplies at the lowest price while maintaining requirements for the safe transport and delivery of supplies, unless the customer has determined a specific mode of transport or unless the customer has concluded a transportation contract. Under the DAD/APD (agreed destination) agreement pursuant to the Incoterms © 2010, the customer also may determine the mode of transport. Additional costs for any facilitated transport necessary to meet delivery deadline are borne by the supplier.
- 4.3 Each consignment must include dispatch notes or delivery notes stating the content and full code of the consignment.
- 4.4 If the contracting parties agree that the supplier shall provide for the transport of consignments that contain hazardous goods, at the customer's expense, the supplier is obligated to send to the carrier, to whom the customer gave the transport order, the data on the hazardous goods as required by law. In addition, in such cases the supplier is responsible for packaging, labelling, safety marking, etc., in compliance with the law, as well as for the mode of transport used.
- 4.5 If the customer informs the supplier that after delivery there is to be further transport carried out by another carrier, the supplier shall be obligated to take into account the relevant regulations on hazardous goods also in relation to the further transport.
- 4.6 Ownership of the subject matter of delivery is transferred to the

customer at the time of handover or takeover.

5. Payments, invoices

- 5.1 Unless agreed otherwise, invoices are due within 30 (thirty) days. The maturity period begins to run after the complete delivery of the consignment or service and after the delivery of the supplier's properly and rightfully issued invoice.
- 5.2 Each invoice must include the features required of a tax document and must contain an order code and numbers of individual items. If such information is missing, the invoice period shall not begin. A new maturity period shall begin after a properly issued invoice is delivered.
- 5.3 If the supplier is obligated to provide/demonstrate tests of material, test reports, documentation on quality, or other documents, delivery is considered complete after such documents are received. The customer can apply a discount in a way that the customer shall set off or withhold payments in a reasonable amount on the basis of the identified shortcomings.
- 5.4 The payment of any amount by the customer does not mean that deliveries or services were performed in compliance with the contract nor does it mean any recognition of a commitment.

6. Initial inspection

- 6.1 The customer, without undue delay after the receipt of deliveries at the agreed destination, shall inspect the quantity and type of goods delivered and whether there is visible damage that occurred during transport or other obvious shortcomings.
- 6.2 If the customer identifies shortcomings during the above-mentioned inspection or later, it shall inform the supplier about them.
- 6.3 Complaints about defects identified during the takeover of a consignment can be made within two months of the delivery of the consignment or a service, or if shortcomings are identified after the use, processing, or putting into operation, from the time of identification.
- 6.4 The customer, in relation to the supplier, is not obligated to carry out any other inspection and notices except the ones stated above.

7. Responsibility for shortcomings

- 7.1 If shortcomings are identified before or during the transfer of risks or if they occur during the warranty period stated in Points 7.8 and 7.9, the supplier is obligated, according to the customer's choosing, either to remedy the shortcomings at its expense or to re-deliver the consignment or service free of defects. This also applies to deliveries that are inspected on a random basis only. The right of choice from the above-mentioned claims belongs to the customer at its discretion.
- 7.2 If the supplier does not carry out the additional performance within a reasonable period stated by the customer, the customer shall be entitled to
- 7.2.1 withdraw from the contract fully or partially, without compensation, or
- 7.2.2 require a lower price, or
- 7.2.3 carry out or provide for repair or new delivery at the supplier's expense, and
- 7.2.4 require damages instead of performance.
- The timeliness of the additional performance is based on the receipt at the destination.
- 7.3 The rights stated in Point 7.2 may be applied without prior warning if the customer has a particular interest in the immediate additional performance in order to avoid its own delay or for other necessary reasons, and the call for the supplier to remedy the shortcomings within a reasonable period is not acceptable. The legal provisions on the unnecessary determination of a period remain unaffected.
- 7.4 N/A.
- 7.5 Further or additional claims by the customer, except the ones stated in Points 7.1 and 7.2, remain unaffected.
- 7.6 If the supplier within its duty to remedy the shortcomings carries out a new delivery or repair, the periods stated in Points 7.8 and 7.9 begin to run anew.
- 7.7 The supplier, regardless of the transfer of the risk of delivery, bears the costs of and the risk for the measures that are necessary for the additional performance (e.g. the costs of return, transport, the costs of assembly and disassembly).
- 7.8 As far as any delivery is concerned, the supplier provides the customer with a quality guarantee of 30 (thirty) months from the moment of delivery.
- 7.9 Legal claims arising from the guarantee are time-barred after four years from the execution of a claim under the guarantee, unless the law stipulates longer periods.
- 7.10 The warranty period for deliveries without installation or assembly begins at the time of receipt in the place determined by the customer. As for the delivery of consignments with installation or assembly, as well as services, the period begins at the time of takeover after the installation/assembly/performance. In the case of deliveries to places where the customer carries out its work outside its factories or workshops, the period begins at the time a consignment is taken over by the customer's client, however, no later than one year after the transfer of risk (liability for damage).

8. Supplier's inspection and information duties

- 8.1 The supplier is obligated to put components provided by the customer or delivered by suppliers, producers, or other third parties (e.g. raw materials, construction materials) through a proper initial inspection in order to reveal possible obvious and hidden shortcomings and to report them to its suppliers or the customer, in case they were provided by the customer.
- 8.2 The delivery of products/goods without legal shortcomings is contractually essential for the customer. Therefore, the supplier is obligated to inspect whether the consignment or the service delivered has material defects or legal shortcomings, and to remedy such shortcomings at its expense, including possible legal errors consisting mainly, however not exclusively, in the rights of third parties that are incompatible with the rights which the customer should acquire in relation to the subject matter of the delivery.

9. Quality management, assignment of orders to third parties

- 9.1 The supplier is obligated to maintain a quality management system (e.g. according to the STN EN ISO 9001 standard).
- 9.2 The execution of the customer's orders to third parties is not allowed without the prior written consent of the customer and it entitles the customer to fully or partially withdraw from the contract and to seek compensation for damages; this also applies to the use of subcontractors not approved by the customer who are to execute the order.

10. Provision of materials, information

- 10.1 The materials and information provided shall remain in the possession of the customer, and they must be stored separately, marked, and dealt with as the customer's property. They may only be used for the execution of the customer's orders. In case they are deteriorated or lost, the supplier is obligated to compensate such damage, while the supplier is also responsible for negligence. This also applies to material provided by the customer to the supplier in connection with the order (e.g. for the production of the performance ordered).
- 10.2 The processing or modification of the material and information provided by the customer is carried out exclusively for the customer. The customer is a beneficial owner of a new or modified item. If it was impossible on legal grounds, the customer and the supplier shall agree that the customer is the owner of the new item throughout every moment of processing or modification. The supplier is obligated to store this new item for the customer with the professional care of a diligent businessman.

11. Tools, forms, samples, confidentiality

- 11.1 Tools, forms, samples, models, profiles, drawings, standards, print templates, and instructions, as well as objects made on the basis of the aforementioned, must not be handed over to third parties or used for purposes other than those agreed in the contract without the customer's written consent. They must be secured against unauthorised access or use. If such duties of the supplier are breached, the customer can require the handover of such objects without prejudice in any way with regard to its further rights.
- 11.2 The data and information acquired from the customer, documents, reference conditions, business processes, or other confidential information about the customer, as well as information about the conclusion of the contract and results, must not be disclosed by the supplier to a third party, not even after the end of contractual relationship, unless they have been published pursuant to the legal regulations or unless the customer has approved the disclosure of them in writing. The supplier shall use the information only for purposes necessary for the provision of services. The supplier shall disclose information only to such employees who need it to fulfil their duties, and the supplier shall ensure that such employees are bound by confidentiality. If the customer agrees with the assignment of orders to third parties, then such parties must also be bound by confidentiality in writing.

12. Assignment of receivables

- The supplier's receivables can be assigned only with the prior written consent of the customer.

13. Withdrawal from the contract

- 13.1 In addition to the legal right to withdraw from the contract, the customer also has the right to fully or partially withdraw from the contract if: a) the supplier is in delay with the delivery or service by more than 10 (ten) days, or b) if the supplier's financial situation significantly worsens or if there is a threat of the worsening of its financial situation, which shall threaten the deliveries or services in relation to the customer, or c) it arises from these General Purchase Terms and Conditions.
- 13.2 The customer is also entitled to withdraw from the contract if bankruptcy/restructuring has been filed against the supplier's property and/or if insolvency or restructuring proceedings or similar proceedings have been opened.
- 13.3 If the customer withdraws from the contract, the customer can, for a reasonable part of the price, keep and use the available equipment in order to continue its work or

Use the deliveries and services already provided by the supplier.

14. Code of conduct for suppliers, supply chain security

14.1 The supplier undertakes to comply with the legal regulations of the respective legal system(s). The supplier shall not, actively or passively, directly or indirectly, participate in any form of bribery, infringement of its employees' human rights or child labour. The supplier is responsible for the health and safety of its employees at work and for compliance with environmental protection laws. The supplier shall also take relevant measures to prevent the use of minerals from so-called conflict areas, shall ensure transparent information about the origin of the raw materials used, and shall, in the most appropriate way possible, request and press for compliance with the code of conduct on the part of its suppliers.

14.2 The supplier issues necessary organisational instructions and adopts measures especially in the field of protecting buildings, business partners, safety of persons and information, packaging, and transport, in order to ensure supply chain security in compliance with the requirements of internationally recognised initiatives according to the standards for ensuring and unifying global trade adopted by the World Customs Organisation WCO SAFE Framework of Standards (e.g. Authorized Economic Operator AEO, Customs – Trade Partnership Against Terrorism CTPAT). The supplier is obligated to secure the goods or services intended for the customer or a third party determined by the customer against unauthorised access or handling. Only reliable personnel of the supplier can dispose of such goods and services and the supplier shall bind its subcontractors to adopt all relevant measures.

14.3 In case the supplier breaches its duties stated in Point 14, the customer is entitled to withdraw from the contract or to terminate the contract without prejudice to its further claims. In case such breach of duty can be remedied, such right can be exercised after the unsuccessful expiration of a reasonable period for rectifying such breach.

15. Product conformity, environmental protection with the declaration of the substances used in relation to the product, hazardous goods, safety at work

15.1 If the supplier delivers products that are subject to statutory and other legal requirements, which relate to their marketing and their further promotion in the European Economic Area, or relevant requirements in other countries of use stated by the customer, the supplier is obligated to ensure that such products, at the time of the transfer of risk (see Point 4.1), meet the following requirements. The supplier shall also ensure that the customer has at its disposal all documents and information necessary to demonstrate the conformity of the products with the applicable requirements.

15.2 If the supplier delivers products the elements of which are stated in the text of the "list of declared substances (www.bomcheck.net/suppliers/restricted-and-declarable-substances-list)" which is valid at the time of order, or which are subject to legal restrictions related to substances and/or information obligations (e.g. REACH, RoHS), the supplier shall be obligated to declare such substances before the first day of delivery of the products in the BOMcheck internet database (www.BOMcheck.net), including any information required there. The above-mentioned applies only in relation to the legal regulations effective in the place of the supplier's or the customer's registered office or in the place of delivery determined by the customer.

15.3 In case a consignment includes goods which, according to the international legal regulations, are classified as hazardous goods, the supplier is obligated to inform the customer about this in a way agreed between the supplier and the customer, however no later than on the day of the order confirmation. The requirements for hazardous goods stated in Points 4.4 and 4.5 remain unaffected.

15.4 The supplier is obligated to comply with all legal and contractual regulations on injury prevention and safety and health protection at work. The supplier is obligated to ensure that there is no risk related to the health and safety of the workers whom it employs and its direct and indirect subcontractors who carry out works in relation with the delivery to the customer.

16. Information security/Cybersecurity

16.1 The supplier is obligated to take appropriate organisational and technical measures in order to ensure the trustworthiness, authenticity, integrity, and availability of the supplier's operation, as well as its goods and services. These should be measures normally used in the industry, which (if necessary) are to include a suitable management system in compliance with the ISO/IEC 27001 or IEC 62443 standards.

16.2 "The supplier's operation" means any goods, processes, and systems (including information systems), data (including customer data), employees, and operations that are temporarily used or processed in order to perform this contract.

16.3 If the delivery of goods or services includes software, firmware, or chipsets,

16.3.1 the supplier (if necessary) shall ensure the implementation of the appropriate standards, processes, and methods normally used in the industry, in compliance with standards such as ISO/IEC 27001 or IEC 62443, in order to prevent, identify, evaluate, and remove any weaknesses, malicious code, and security risks;

16.3.2 the supplier, during the reasonable lifetime of the goods and services delivered, shall provide repairs, updates, and other maintenance-related services, which shall remedy the shortcomings;

16.3.3 the supplier shall provide the customer with a list of elements that make up all software components of third parties used in the goods and services delivered. The software components of third parties must be updated at the time of delivery;

16.3.4 the customer is entitled, but not obligated, any time itself or by means of third parties, to test the goods and services delivered focusing on the presence of malicious code and shortcomings, and the supplier is obligated to provide collaboration in this respect;

16.3.5 the supplier shall provide the customer with contact details related to the information security (available during working hours).

16.4 The supplier shall immediately inform the customer about any security incidents, which shall occur or which are imminent and which affect the supplier's activity or the delivery of goods and services, if it can have an impact upon the customer.

16.5 The supplier shall take appropriate measures to impose duties on its subcontractors and suppliers within an appropriate deadline under the duties stated in Point 16.

16.6 At the customer's request, the supplier shall confirm compliance with the provisions pursuant to Point 16 in writing, including generally recognised test reports (for instance, SSAE-16 SOC2 Type II).

17. Provisions related to export control and foreign trade data

The supplier is obligated to fulfil all requirements of valid national and international customs and trade legal regulations ("international trade law"). The supplier is obligated, within two weeks of the placement of the order, and in case of changes, to immediately provide the customer, in writing, with any information and data necessary for the customer to comply with any provisions of the international trade law valid for export, import, and re-export, especially:

- any relevant numbers of export lists including "Export Control Classification Number" in compliance with the "U.S. Commerce Control List" (ECCN);
- statistical number of goods according to the valid classification of goods of foreign trade statistics and HS code (harmonised system) and
- country of origin data (in the case of non-preferential origin) and, if requested by the customer, the supplier's declaration of preferential origin (in the case of European suppliers) or preferential certificates (in the case of non-European suppliers).

18. Reservation clause

The customer is not obligated to perform contractual obligations if such performance is hindered by restrictions arising from national or international trade legal regulations or by restrictions arising from any embargoes and/or other sanctions.

19. Reference customer designation

The supplier undertakes to designate the customer as a reference customer and/or to promote products developed for the customer within the contractual relationship with it, and/or to issue press releases or other public statements within the contractual relationship only with the prior written consent of the customer.

20. Additional provisions

20.1 Unless agreed otherwise in the order and if these General Purchase Terms and Conditions do not regulate a certain issue, then the relevant legal regulations shall apply to such issue.

20.2 If the supplier breaches its duties stated in these terms and conditions, especially in Points 2, 3, 4, 7, 8, 14, 15, 16, and 17, the supplier shall bear any costs and damages that the customer shall incur.

21. Jurisdiction of courts, governing law

21.1 Any agreements, changes, or addenda to the contract or the order are binding for the contracting parties only if made in writing as an addendum to the contract or the order and signed by both contracting parties. Either contracting party can submit proposals for addenda.

21.2 Any duties of the contracting parties related to the protection of confidential information and personal data shall apply regardless of the end of validity and effect of the contract or the order.

21.3 If any of the provisions of the contract become in any respect invalid, unlawful, or unenforceable, it shall not affect in any way or it shall not breach the validity, lawfulness, or enforceability of the remaining provisions of the contract.

21.4 The contract and the rights and duties arising from it are governed by the law of the Slovak Republic. The contracting parties hereby also **exclude** the application of any and all

conflict of law rules within the legal regulations and bilateral and/or multilateral international treaties and/or agreements, which constitute a part of the law of the Slovak Republic, and they also expressly exclude the application of the UN Agreement on the International Sale of Goods of 11 April 1980.

- 21.5 The rights and duties not expressly regulated by the contract and/or these General Purchase Terms and Conditions are governed by the provisions of the Commercial Code and other generally binding legal regulations of the Slovak Republic. The law of the Slovak Republic is the governing law for relationships between the customer and the supplier.
- 21.6 By accepting the order or the contract, which refer to these General Purchase Terms and Conditions, the supplier confirms that it has read these General Purchase Terms and Conditions, has understood their content, and accepts the terms and conditions stated herein.
- 21.7 Disputes between the contracting parties, unless settled amicably, shall be decided in proceedings before the competent general court.

In Komárno on 01 May 2020

FEAG SLK Elektro s.r.o.
Ing. Roman Skala, Executive Manager