

General Terms and Conditions of Business (GTC)

§ 1 General Provisions

1. All Contracts on the sale of products offered by us entered into by the company ESCO CZ PRODUCTION s.r.o., ID No. 260 57 654, with registered office in Radomyšl, Blatenská 267, ZIP 387 31, Czech Republic, entered into with the Commercial Register kept by the District Court of Ceske Budejovice under C 11428 (hereinafter referred to as “ESCO”) shall be based on these General Terms and Conditions of Business (“GTC”). The contact data of ESCO are the above mentioned address of the registered office, phone number +420 383 411 211, e-mail info@escogroup.eu.

2. To the extent ESCO does not expressly agree or accept otherwise in Contractual documents, order confirmations or other documents, the following shall apply to all Contractual relationships:

- terms and conditions of purchase, terms and conditions of business or other agreements to which the Contractual Partner refers in an order or in other documents shall not be applicable to the legal relationship.
- UN sales law shall not be applicable.

3. If two confirmation letters containing deviating or conflicting provisions, technical specifications, prices, quantities or other information, only the confirmation letter of ESCO shall apply at all times.

4. These GTC form an integral part of all Contracts concluded by and between ESCO and the Customer (regardless of the form or manner of their conclusion) and the Customer, by concluding the Contract, simultaneously confirms that it has read these GTC and acknowledges, that these GTC are part of the Contractual arrangement between it and ESCO. These GTC are also available for review on ESCO's website www.escogroup.eu – section download.

5. The Customer's Terms and Conditions apply only if ESCO expressly accepts them in writing.

§ 2 Definitions

1. Unless otherwise agreed under or implied by the Contract, the following terms used in the GTC and/or the Contract shall have the following meanings:

- **“Order”** means the Customer's request to ESCO for delivery of the Goods.
- **“Contract”** means any Contractual arrangement between ESCO and its Customer in any form (written, oral or otherwise) for the supply of Goods already in existence or yet to be manufactured. Unless the Contract for the supply of Goods yet to be manufactured implies that the Customer is handing

over to ESCO a substantial part of what is needed to manufacture the Goods, such Contract shall be deemed to be a Contract of sale and ESCO expressly undertakes to transfer the title to the Goods to the Customer under the said Contract of sale.

- **“Contracting Parties”** or **“Parties”** means ESCO and the Customer.
- **“Contractual Partner”** means an entity that has concluded a Contract with ESCO and is an entrepreneur or a consumer within the meaning of the CC .An entrepreneur for these purposes is a (legal or natural person) acting in the course of its business. For the purposes of these GTC, an entrepreneur is also any person who enters into Contracts in connection with their own business, manufacturing or similar activities or in the independent exercise of their profession, or a person who acts in the name of or on behalf of an entrepreneur.
- **“Goods”** means any tangible or intangible asset to be provided by ESCO to the Customer under the Contract.
- **“Framework Agreement”** means a Contract or any arrangement under which the Parties agree that the following GTC shall apply to all future Contracts between them.
- **“Delivery Period”** means the period within which ESCO is to deliver the Goods to the Customer. The Parties agree that the Delivery Period will be stated in ESCO's Order confirmation within the meaning of Section 1748 of the CC
- **“CC”** means Act No. 89/2012 Sb., Civil Code, as amended.

§ 3 Intermediaries, Resellers, Agents

Any person offering our products on the market are familiar with GTC and the product information and such persons shall comply therewith when entering into Contracts. Such persons are independent entrepreneurs. Agreements entered into by them orally or by phone are subject to written confirmation of the company management of ESCO in order to be valid towards us. Customers which Agents contribute to the business of ESCO have no exclusive Contract by the Agent and ESCO as such can take over these Customers. When an Agent would stop the cooperation with ESCO the Customer will stay at ESCO and ESCO is not obligated to compensate the Agent.

§ 4 Offers, Prices

1. Offers are subject to confirmation and non-binding to the extent not explicitly nominated as binding offers by ESCO. In the event that a Framework Agreement has been concluded between the Parties, the Contract is concluded when the Contractual Partner sends a written Order upon written confirmation of this Order by ESCO. In the event that no Framework Agreement has been concluded and the Contractual Partner does not use ESCO's Order form available on ESCO's website at www.escogroup.eu – section download, the Contract is concluded in a three-step process, whereby the Contractual Partner sends a written Order to ESCO, ESCO confirms the Order in writing, and then the

Contractual Partner either confirms such written confirmation of the Order in writing back to ESCO or takes delivery of the Goods or responds in some other unquestionable way which shows that it accepts ESCO's confirmation of the Order (e.g. pays the advance invoice, etc.). When no Framework Agreement has been concluded and the Contractual Partner uses an ESCO Order form available on the ESCO website at www.escogroup.eu – section download the Contract is concluded at the moment of written confirmation of the Order by ESCO. For the purposes of this clause, the Parties understand written confirmation to include confirmation by email. These GTC form part of the Contract.

2. If telecommunication means are used for the Contract conclusion, the order text and the Contract are not stored by ESCO and cannot be retrieved after completion of the order process and access thereto is not possible. However, the Contractual Partner can print their order data immediately after submitting their order and will receive them by e-mail. The Contractual Partner can check the order for errors made when entering the data before submitting the order.

3. The Contractual Partner agrees to telecommunication means being used for the conclusion of the Contract. Costs it incurs in the course thereof (such as internet connection etc.) shall be borne by the Contractual Partner itself provided that such costs do not deviate from the basic rate.

4. The product catalogue available particularly on the website of ESCO contains all statutory information on the Goods as well as on the prices of individual Goods and costs in a price list and technical specifications and GTC for their return in case it is not possible to resend the Goods by means of normal post services due to its nature. The Contract also contains information on packaging and delivery costs. However, it only applies to Goods being delivered in the territory of the Czech Republic. Oak planks form the Goods. All presentation of Goods placed on the website of ESCO is regarded as being for information purposes only and ESCO is not obliged to enter into a Contract regarding these Goods. Any discounts on the purchase price of the Goods cannot be combined with each other, unless ESCO agrees otherwise.

5. The prices contained in the price list provided by ESCO (by electronic means/in writing) are net prices without VAT. The purchase price of the Goods sold under individual Contract is recorded in the ESCO's written confirmation of the Order and determined based on a valid price list or an individual valid price or a special price offer (set in a document named ESCO sales conditions) sent by ESCO to the Contractual Partner.

6. To the extent not provided for otherwise by the Contract or price list, the delivery conditions shall be “EXW” (Incoterms 2010). Accordingly, the Contractual Partner shall bear all costs, fees, taxes and risks as of transfer to the carrier.

7. Terms of payment which have been agreed upon and confirmed in writing shall be settled through the products and not transportation.

8. ESCO is not obliged to comply with any code of conduct and does not maintain such code on a voluntary basis.

§ 5 Purchase by Sample, Quality and Laying

1. To the extent the purchase takes place by sample, the samples provided to the Contractual Partner do not represent and guarantee that each single unit exactly corresponds with the sample as it is a natural product. This particularly applies with regard to the texture, colour structure and number of knots. Deviations from the sample remain reserved to the extent these are due to the character of the materials used and customary.

2. To the extent not agreed upon otherwise, the Contractual Partner shall bear the costs for the delivery of samples.

3. The Contractual Partner takes not of and accepts all items in the technical specifications of ESCO.

4. The products of ESCO are sorted by hand in accordance with strict rules. Occasional sorting errors cannot be excluded and only represent a material defect if more than 5 % of the order amount is affected. The Contractual Partner shall be at liberty to mix or blend such amount.

5. The Contractual Partner shall be obliged to examine the Goods before laying at the latest. Section 2104 of the CC shall remain unaffected. The Contractual Partner undertakes not to lay Goods which are not in accordance with the Contract in the Contractual Partner's opinion and about which the Contractual Partner intends to make a complaint. If the Contractual Partner lays the Goods, it declares reasonably been detected if the Goods had been properly and professionally examined before laying.

§ 6 Place of Performance, Transfer of Risks, Costs of Transportation and Take-Back

1. The address of the registered office of ESCO shall be the place of performance for all deliveries of ESCO; EXW (Incoterms 2010) as of the registered office of ESCO at the point in time of conclusion of the Contract is agreed upon. This means, particularly for consumers, that the Contractual Partner picks up the Goods at the registered office of ESCO, unless deviating provisions are agreed upon in the Contract. To the extent desired by the Contractual Partner, upon agreement, ESCO can transport the Goods itself or have them transported by a carrier to be determined by ESCO to a location

indicated by the Contractual Partner; in such case, the Contractual Partner shall bear all costs and risks connected to such transportation.

2. If Incoterms 2010 EXW are applicable, the risks shall pass at the address of the registered office of ESCO upon handover to the Contractual Partner or a carrier designated by it. This shall particularly apply to the risk of transport which shall be borne by the Contractual Partner even if ESCO transports or has transported the Goods to another location upon the Contractual Partner's request.

3. The Contractual Partner shall bear the transportation costs from the registered office of ESCO to the extent the parties do not agree in individual cases that ESCO performs transportation with its own HGVs.

4. A return of the Goods is accepted only within 3 weeks of delivery of the Goods and only for standard products (stock Goods). Meaning size and colour combination as standard and easy to re-sell. ESCO produce on order and therefore ESCO will judge for each case separate. The returned Goods have to be packed and must not have been laid or damaged. The freight costs of the return delivery shall be borne by the Contractual Partner. Reimbursement of the purchase price takes place via a credit to the Customer account of the Contractual Partner.

5. If the parties arrange by individual agreement that transportation is organised by ESCO and that ESCO is liable for any damage occurring during transportation, the Contractual Partner is only entitled to assert claims against ESCO regarding damage occurred during transportation if the Contractual Partner can provide ESCO with the CMR bill of freight or another transportation document applicable to transportation (hereinafter referred to as "transportation document") in which the damage is stated and specified in detail at the point in time of unloading at the latest. It also must provide detailed photographs of the damaged Goods at the point in time of unloading. Without presentation of a transportation document with notice of damage and the photographs of the damaged Goods, ESCO shall not be obliged to fulfil claims of damages of the Contractual Partner. If an aspect of the transportation document is not specifically governed by the law, the Contractual Partner has to provide a delivery note in which the damage is indicated and specified in detail at the moment of unloading at the latest. Without an individual agreement, delivery is performed EXW address of the registered office of ESCO at the point in time of Contract conclusion (Incoterms 2010).

6. ESCO does not assume any responsibility for any mistakes and misunderstandings occurring during communication between the Contractual Partner and forwarding company.

§ 7 Delivery Periods and Conditions of Delivery

1. To the extent not agreed otherwise or assured in the course of order confirmation, the delivery period for Goods delivered by ESCO shall be 5 days to 11 weeks in general. Delivery periods set forth in the order of the Contractual Partner and/or the confirmation by ESCO shall always be non-binding to ESCO, unless ESCO expressly and unequivocally declares in such confirmation that the deadline is a binding deadline. All deadlines apply subject to correct and timely self-delivery, unless ESCO is responsible for incorrect or delayed self-delivery or assures binding delivery periods in writing. Self-delivery shall mean the delivery of an item from a forwarder / Contractual Partner to ESCO necessary to fulfil the obligations of ESCO.

2. ESCO shall be entitled to perform partial deliveries. To the extent not agreed upon otherwise and to the extent the Contractual Partner is not a consumer, delayed delivery cannot result in claims for damages, unless ESCO acted intentionally or with gross negligence. Furthermore, ESCO's compliance with its delivery obligation is conditional upon timely and proper fulfilment of the Contractual Partner's obligations. The right to object to unfulfilled Contracts shall remain reserved.

3. If the Contractual Partner is in default of acceptance or if it violates other obligations to cooperate, ESCO shall be entitled to claim compensation for the resulting damage, including any additional expenses. Further claims or rights shall remain reserved.

4. If the Contractual Partner is a consumer and does not accept the Goods delivered by ESCO at the place stipulated in the Contract, such Goods shall be resent to ESCO and the Contractual Partner shall be obliged to bear the transportation costs (transport and return transport).

5. In case of default of acceptance or violation of obligations to cooperate, the risks of accidental loss or coincidental degradation shall pass on to the Contractual Partner at the point in time in which it is in default of acceptance or debtor's default.

6. Furthermore, ESCO shall be liable in accordance with the legal provisions to the extent the delay in delivery is based upon intentional or grossly negligent Contract violation in ESCO's responsibility; any fault of the representatives or agents of ESCO shall be attributable to ESCO.

7. To the extent delay in delivery is based upon grossly negligent Contract violation in the responsibility of ESCO, including any other damage for which ESCO is liable, liability for compensation shall be limited to the maximum amount of the foreseeable, typically occurring damage.

8. ESCO shall also be liable in accordance with the legal provisions of the Czech Republic to the extent the delay in delivery in ESCO's responsibility is based upon culpable breach of a material Contractual obligation; in such case, however, compensation for liability shall be limited to the maximum amount of the foreseeable, typically occurring damage.

9. If ESCO's supply is interrupted or delayed and ESCO is unable to meet the Customer's delivery date because an extraordinary, unforeseeable and insurmountable obstacle arose independent of the will of ESCO or its supplier within the supply chain that temporarily or permanently and objectively prevents ESCO or its supplier from acting, or if any such obstacle arose on the part of the Customer, such fact or event shall be deemed to be a force majeure event. In the event of a force majeure event, as well as in the case of any other circumstances not caused by ESCO or its supplier, which prevent the execution of confirmed Orders within the specified time, there shall be no delay in the performance of ESCO's obligation to deliver the Goods under the Order for the duration of the force majeure event. This provision is without prejudice to the provisions of Section 10 of these GTC.

10. The delivery period for the delivery of the Goods under the Order will not commence to run and there is an impediment to performance arising on the part of the Customer until the Customer has duly and fully complied with all its obligations, such as the provision of technical data and documents, permits, payment of any deposit, etc. If the Customer fails to fulfil the obligations necessary or required to fulfil ESCO's obligations, ESCO's obligation to deliver the Goods within the Delivery Period ceases at the time the Customer is in default with the performance of its obligations. ESCO then has the option to deliver the Goods after the Customer has fulfilled its obligations within an alternative period appropriate to the conditions of production, taking into account in particular current production possibilities and capacities, and the Customer is obliged to take over the Goods within the alternative period, or ESCO may withdraw from the concluded Contract with immediate effect.

§ 8 Purchase Price Payment and Default

1. The purchase price shall be payable upon delivery of the Goods to the Contractual Partner if not agreed upon otherwise. The price of the Goods is set out in the Contract, with the provision that ESCO reserves the right to unilaterally increase the price of the Goods in the event of an increase in the cost of production. For the purpose of assessing price changes under the preceding sentence, the moment of sending the Order confirmation by ESCO to the Customer, as compared to the moment set for delivery by ESCO, shall be decisive, also taking into account Section 7(10) of these GTC. Material manufacturing inputs shall be deemed to include, but are not be limited to, the cost of raw materials, wages, utilities, freight and statutory levies (e.g. tax changes) and other costs which are associated with ESCO's manufacturing

process and delivery of the Goods to the Customer and which ESCO must or has had to incur in order to manufacture or create and/or deliver the Goods. No consent of the Customer is required for such increase. Section 2155(2) CC and Section 2156 CC shall not apply. If the Customer is a consumer, ESCO may also unilaterally increase the price of the Goods if there is an objective, serious and specific reason for such an increase, which ESCO shall communicate to the Customer-consumer in a clear and understandable manner. ESCO and the Customer-consumer agree and accept that such objective, serious and specific reason for a price increase is an event or fact that affects an unexpected and unforeseeable change in availability and price or an intervention in the production of production inputs (materials, raw materials, utilities, labour and wages, etc.).

2. All payments shall be effected in EUR by transfer to the account set forth in the invoice. Other currencies are accepted only after prior written agreement.

3. If a cash discount is agreed, the Contractual Partner shall only be entitled to a deduction if it has paid the due invoice amounts pertaining to other deliveries. Granting of cash discounts only refers to the value of the Goods excluding VAT, freight and packaging.

4. In case the Contractual Partner is not a consumer, it shall only be entitled to offset rights if its counterclaims are determined in a legally valid manner, undisputed or have been confirmed by ESCO in writing. Furthermore, it is entitled to exercise its right of retention to the extent its counterclaim is based upon the same Contractual relationship. The parties have agreed that particularly the Contractual Partner's claim for damages is regarded as controversial.

5. If, in accordance with the Contract, the purchase price does not become due upon delivery of the Goods but at a different point in time, the payment deadline shall be 30 days after dispatch of the invoice by ESCO.

6. A Contractual Partner who is no consumer shall be in delay regarding the payment of an invoice amount - also without reminder - if it does not pay the invoice within 30 days of the due date and receipt of the invoice.

§ 9 Obligation to Complain, Warranty and Liability for Defects

1. The defect rights of the Contractual Partner are subject to the Contractual Partner meeting its examination and complain obligations properly.

2. To the extent there is a defect of the purchased item, ESCO will either remedy the defect or deliver an additional item free from defects provided that the Contractual Partner hands over to ESCO the defective Goods in the state in which it received them from ESCO. In the case of rectification, ESCO shall be obliged to bear all expenses necessary for remedy of defects meaning

transportation to the extent they are not increased by the purchased item being transported to the same location as first delivered and not another location. If the defective Goods were already installed due to the consumer's lack of awareness of its defectiveness, the participation portion of ESCO in the costs of installation and removal shall be limited to 15 % of the value of the Goods free from defects in accordance with the price stated in the invoice of ESCO. In case the Contractual Partner is a consumer, legal liability regulations shall be applicable.

3. If the rectification fails for reasons in ESCO's responsibility, the Contractual Partner shall be entitled to withdraw from the Contract or to demand price reduction, at its own option.

4. Warranty rights shall be excluded to the extent a) the Contractual Partner is responsible for the defect, b) the defect arose from negligent handling, intentional damage, improper storage, improper laying or unauthorised reworking on the Goods or c) the Contractual Partner was already aware of the defect at the point in time of installation of the defective Goods or should have detected the defects if it had exercised expert care (and in case the Contractual Partner is a consumer, ordinary care).

5. ESCO shall be liable according to the legal provisions if the Contractual Partner asserts claims for damages based upon intent or gross negligence of the representatives or agents of ESCO. To the extent ESCO is not blamed for intentional breach of Contract, the liability for damages shall be limited to the foreseeable, typically occurring damage.

6. ESCO shall be liable according to the legal provisions if ESCO culpably violates a material Contractual obligation; in such case, however, compensation for liability shall be limited to the maximum amount of the foreseeable, typically occurring damage.

7. To the extent the Contractual Partner is entitled to compensation for the damage instead of performance, ESCO's liability shall also be limited to compensation of the foreseeable, typically occurring damage.

8. The liability for culpable injury to life, limb or health shall remain unaffected; this shall also apply to any legally stipulated liability of a manufacturer for its products.

9. To the extent not provided for otherwise above, liability shall be excluded. Such regulation only applies in cases if the Contractual Partner is no consumer and/or no weaker party.

10. To the extent not provided for otherwise by means of an individual Contract and in case the Contractual Party is not a consumer, the Contractual Party's claims for defects shall lapse within the periods set forth in the technical

specification, counted from passing of risks, and referring to defects of the Goods at the point in time of passing of risks, i.e. a deviation of the actual quality from the Contractually agreed quality at the point in time of handing over of the Goods to the Contractual Partner or, in accordance with EXW address of the registered office of ESCO at the point in time of conclusion of the Contract (Incoterms 2010), handing over to the forwarder.

11. The limitation period in case of delivery regresses shall remain unaffected; it shall lapse no later than two months after the point in time in which the Contractual Partner fulfilled the claims of the consumer. Anyone to whom the Contractual Partner resold the Goods shall be regarded as consumer.

12. If the Contractual Party is a merchant or no consumer, ESCO's liability and the Contractual Partner's claim for damages under this article shall arise only if the Contractual Partner incurs a damage exceeding an amount of EUR 1,000.000.

13. Claims for defects must be asserted with the company ESCO CZ PRODUCTION s.r.o., ID No.: 260 57 654 (registered office: Blatenská 267, Radomyšl, Czech Republic). The Contractual Partner is obliged to include the following information in the complaint: Goods complained about, order number, date of purchase, date of payment of the price, description of the defect and the claim for defects asserted.

§ 10 Total Liability, Force majeure, Hardship

1. Any further liability for damages other than as provided in § 9 of these GTC shall be excluded in case the Contractual Partner is no consumer - regardless of the legal nature of the claim asserted. This shall particularly apply for claims for damages arising from default upon Contract conclusion, other breaches of duty or tortious claims for compensation for property damage. The limitation shall also apply to the extent the Contractual Partner demands compensation of useless expenses instead of asserting its claim for compensation of the damage.

2. To the extent ESCO's liability for damages is excluded or limited, this shall also apply with regards to personal liability for damages of the statutory bodies, employees, representatives, agents or vicarious agents of ESCO.

3. The ICC Force Majeure Clause (Long Form) is incorporated in the Contract and in the GTC.

4. For the avoidance of doubt regarding the application of the force majeure clause for the purposes of the present GTC and the Contract, in addition or in conjunction with the events and circumstances specified in the ICC Force Majeure Clause (Long Form), force majeure events are deemed to include all circumstances beyond the Parties' reasonable control that could not reasonably

be foreseen and avoided and that temporarily or permanently prevent or impede the affected Party and/or its Contractual partners, and its subContractors in particular, from performing the rights and obligations contemplated in the Contract. Force majeure events include, without limitation:

a) natural disasters, fires, earthquakes, landslides, floods, blizzards or other large-scale atmospheric disturbances and phenomena; or

b) wars, rebellions, revolutions, civil commotions, changes of political situation or general strikes, states of emergency; or

c) decisions and acts of authority, regulations, restrictions, prohibitions or other intervention by the government, state authorities and local authorities, export and import embargoes; or

d) an interruption of operation of the manufacturing or distribution facility of the Party or its Contractual partner, an industrial accident, explosion or other extensive damage to the manufacturing or distribution facility of the Party or its Contractual partner; or

e) epidemic, pandemic, quarantine or other public healthcare measure ordered by public authorities;

f) economic crisis;

g) any other similar cause, event or circumstance especially insofar as it entails an unexpected and unforeseeable change of the availability and price or other interference in the production of manufacturing inputs (materials, raw materials, labor force etc.) that impede or prevent a Party from performing the Contract.

5. In addition to the events and circumstances described in the ICC Force Majeure Clause (Long Form) and in section 4 above, force majeure events under these GTC also include any economic difficulties that impede ESCO from performing the Contract or any other circumstances arising in connection with ESCO's economic situation that ESCO could not demonstrably and substantially influence in performing its obligations under the Contract. The economic difficulties are deemed to include also a price increase in all or some substantial manufacturing inputs by more than 50% compared to their price at the time of ESCO's written Order confirmation. Substantial manufacturing inputs include without limitation any raw materials, wages, utilities, transportation and other statutory levies (such as taxes) and other costs arising in association with ESCO's manufacturing process and the delivery of Goods to the Contractual

Partner that ESCO must or had to expend in order to make, manufacture and/or deliver the Goods.

6. The ICC Hardship Clause is incorporated in the Contract and in these GTC. For the purposes of the Contract and these GTC, the Hardship Clause is based on the understanding that if a continued performance of a Party's Contractual duties becomes excessively onerous due to an event or a change of circumstances that is beyond its reasonable control, the affected Party may ask the other Party to negotiate alternative Contractual terms that would reinstate the equilibrium of the Parties' rights and obligations. The Parties acknowledge that the economic conditions under which they conclude the Contract are not excessively onerous. But if the performance of the Contract becomes excessively onerous to ESCO (in particular due to economic changes such as changes in the availability or prices of manufacturing inputs (materials, raw materials, labor force, political or natural disturbance) or due to an interference in the production of manufacturing inputs) and this causes a substantial increase in ESCO's costs of manufacturing inputs or makes the rendering of performance hereunder excessively onerous for ESCO, notwithstanding any other provisions of the present GTC to the contrary, ESCO may ask the Contractual Partner via a written notice to negotiate alternative terms of the Contract in order to mitigate the consequences and the effects of such an event or a series of events. The Parties agree to renegotiate the change of the Contract and the new terms within thirty (30) calendar days from the date ESCO has sent its notice to the Contractual Partner. Where the parties have been unable to agree alternative Contractual terms as provided in the previous sentence, the party invoking this Clause is entitled to terminate the Contract within thirty (30) calendar days. Where the Contract is not terminated in the stipulated period, either party is entitled to request the judge to adapt the Contract with a view to restoring its equilibrium, or to terminate the Contract, as appropriate.

§ 11 Retention of Title

1. ESCO shall retain the title to the delivered Goods until receipt of all payments pertaining to the business relationship to the Contractual Partner. ESCO can demand from the Contractual Partner, in case of the Goods being resold, to inform its Customer thereof and to obtain its approval.

2. If the Contractual Partner's conduct is contrary to Contract, particularly in case of default of payment, ESCO shall be entitled to demand back the purchased item by written request and to rescind from the existing purchase Contracts; the Contractual Partner shall comply with such request within a period of fourteen days.

3. The Contractual Partner shall be obliged to carefully treat the Goods delivered; it shall be obliged to insure the Goods at its own expense against damage by fire, water and theft, based upon its original value.

4. In case of attachments or other interventions of third parties, the Contractual Party shall immediately inform ESCO in writing so that ESCO can initiate legal steps in order to protect its property. To the extent the third party is not able to compensate ESCO for legal and extrajudicial costs of an action, the Contractual Party shall be liable for the loss incurred by ESCO.

5. The Contractual Party shall be entitled to resell the delivered Goods in the ordinary course of business; however, already know, it assigns all receivables of the Contractual Partner against its Customers for the sale of the Goods in the amount of the final value according to the invoice (including VAT) issued by the Contractual Partner, to ESCO, regardless of whether the delivered Goods were resold without or after processing. Customer of the Contractual Partner means the Customer from the purchase Contract for further sale of the Goods. The Contractual Partner remains authorised to recover this claim even after assignment. ESCO's authority to recover the claim itself shall remain unaffected thereby if the Contractual Partner does not disclose the assigned claims and their debtors. However, ESCO undertakes not to recover the claims if the Contractual Partner meets its payment obligations from the collected proceeds, is not in default of payment and, particularly, no application for the initiation of a settlement or insolvency process has been filed or there is no cessation of payment. However, if this is the case, ESCO can demand that the Contractual Partner disclose to ESCO the assigned claims and their debtors, provides all information necessary for collection, hands out all pertaining documents and informs the debtors (third parties) of the assignment, and the Contractual Party shall be obliged to undertake such steps.

6. Processing or reshaping of the delivered Goods by the Contractual Partner is always performed for ESCO. If the delivered Goods are processed with other items not belonging to ESCO, ESCO shall obtain co-ownership in the additional item in proportion of the value of the delivered Goods (final invoice amounts, including VAT) to the other processed items at the point in time of processing. Apart from that, the object created by means of the processing shall be subject to the same provisions as the purchased item delivered under retention of title.

7. The Contractual Partner shall also assign to ESCO the claims for securing ESCO's claims against it which arise against a third party through the connection of the delivered Goods with a property.

8. ESCO undertakes to release the securities attributable to ESCO upon the Contractual Partner's request if the realisable value of the securities exceeds the claims of ESCO to be secured by more than 10 %; the selection of the securities to be released shall be subject to ESCO's discretion.

§ 12 Right of Revocation of the Consumer

1. If the Contractual Partner is a consumer (i.e. a natural person submitting the order with a purpose not attributable to the commercial nor independent professional activity of such person), such person shall be entitled to a right of revocation in accordance with the legal provisions.

2. Right of revocation:

Revocation instruction

Right of revocation

The Contractual Partner being a consumer shall be entitled to revoke the Contract within fourteen days without stating reasons.

The revocation period shall be fourteen days as of the day on which the Contractual Partner or a third party designated by the Contractual Partner who is not the forwarder took possession of the Goods.

If the Contract is for several Goods which the Contractual Partner as consumer ordered within a uniform order and which are delivered separately, the revocation period shall be fourteen days as of the day on which the Contractual Partner or a third party designated by it who is not the forwarder took possession of the last Goods. 12 / 15 In case of a Contract on the delivery of Goods in several partial shipments or units, the revocation period shall be fourteen days as of the day on which the Contractual Partner or a third party designated by it who is not the forwarder took possession of the last partial shipment or the last unit.

In order to exercise its right of revocation, the Contractual Partner shall notify ESCO via

ESCO CZ PRODUCTION s.r.o.

Blatenská 267

38731 Radomyšl

Czech Republic

E-Mail; info@escogroup.eu

Phone: +420 383 411 211

Fax: +420383 411 210

by means of a clear declaration (e.g. a letter sent by post, telefax or e-mail) on the Contractual Partner's decision to revoke the Contract. The Contractual Partner can use the attached sample revocation form which is not statutory, however.

To comply with the revocation period, it is sufficient that the Contractual Partner sends the notice on its exercise of the right of revocation before expiry of the revocation period.

Consequences of Revocation

If the Contractual Partner revokes this Contract, ESCO shall repay to the Contractual Partner all payments ESCO received from the Contractual Partner, including delivery costs (except for the additional costs arising from the

Contractual Partner choosing a delivery type other than standard shipment offered by ESCO at the most favourable price) without any delay and no later than within fourteen days as of the day on which ESCO received the notice of revocation of the Contract.

For such repayment, ESCO shall use the same means of payment which the Contractual Partner used in the original transaction, unless it was explicitly agreed otherwise with the Contractual Partner; in no case will fees be invoiced to the Contractual Partner in connection with such repayment. 9

ESCO can deny repayment until ESCO has been returned the Goods or until the Contractual Partner delivers proof that it has resented the Goods, whichever is earlier.

The Contractual partner shall resend or return the Goods to ESCO without any delay and in any case within fourteen days as of the day on which it informed ESCO on the revocation of this Contract. The time is complied with if the Contractual Partner dispatches the Goods before expiry of the time period of fourteen days.

The Contractual Partner shall bear the direct costs of return of the Goods.

The Contractual Partner must pay compensation for any loss of value of the Goods only if such loss of value is attributable to handling of the Goods not necessary for examining their quality, characteristics and functioning.

- End of the revocation instruction –

3. Sample revocation form (if the Contractual Partner intends to revoke the Contract, please fill this form and return it to ESCO)

To:

ESCO CZ PRODUCTION s.r.o.

Blatenská 267

38731 Radomyšl Czech Republic

E-mail; info@escogroup.eu

Phone: +420383 411 211

Fax: +420383 411 210

Hereby, I/we () revoke the Contract entered by me/us (*) on the purchase of the following Goods (*) / performance of the following services (*) [please provide a detailed description so that we can clearly identify which Goods/services the revocation refers to]*

- ordered on () / received on (*)*

- name of the consumer(s)

- address of the consumer(s)

- signature of the consumer(s) (only if notice is provided on paper)

date

(*) Delete as applicable.

4. There is no right of revocation regarding the delivery of Goods which is not relevant for their manufacture or individual selection or use by the consumer or which are clearly customised for the person of the consumer or for Contracts

on the delivery of sealed Goods which are not suitable for return due to **health protection or hygiene** if their sealing was removed after delivery.

5. To the extent the Contractual Partner as consumer exercises its right of revocation, it generally has to bear the costs of return shipment and, if it is a Contract entered into by a telecommunication means, it shall bear the costs of return shipment if the Goods cannot be resent via the normal postal system due to its character.

§ 13 Copyright

All texts, images, company trademarks and other contents including page layout and elements on the ESCO website www.escogroup.eu and www.escopodlahy.cz are protected by copyrights. Any change, further processing and use shall not be permitted without ESCO's express written approval.

§ 14 Data Protection and sending of commercial communications

1. ESCO processes personal data of the Contractual Partner (natural person) in those circumstances and given the requirements of the Czech and European Union legal order, in particular Regulation (EU) 2016/679 on the protection of natural persons (GDPR).

2. ESCO processes personal data of the Contractual Partner (natural person) for the following purposes: for order handling, during visits to the website, Contract performance and its own marketing purposes. For such purposes and subject to further conditions under this information, the Contractual Partner provides ESCO its consent to the processing of its following personal data: First name, surname, residential address, identification number, VAT number, e-mail address and phone number, all of it for an unlimited time. Personal data is processed in automated electronic form or in non-automated printed form. ESCO is entitled to engage third parties as processor for processing of the personal data.

3. The Contractual Partner shall be entitled to have its personal data corrected, deleted or limited or maintained in accordance with the principles of data transmissibility to the extent the legal provisions for this have been fulfilled. If the Contractual Partner believes ESCO or the processor engaged by it manage the personal data in a manner incompatible with the protection of the Contractual Partner's private or personal life or in an unlawful manner, in particular, if personal data is not accurate, taking into consideration the purpose of processing, it can:

a) request an explanation from the administrator or processor

b) demand that the administrator or processor rectifies the defective state. In particular, it can be about blocking, correcting or removing the personal data.

If ESCO does not fulfil such demands, the Contractual Party shall be entitled to consult the regulatory authority – the Office for Personal Data Protection (*Úřad pro ochranu osobních údajů*) based in Prague, at Pplk. Sochora 727, 170 00 Praha 7 – Holešovice, www.uouu.cz.

4. The Contractual Partner shall be entitled to revoke any approval related to data protection granted to ESCO at any time with effect for the future.

5. Personal data of the Contractual Partner will be processed by ESCO employees entrusted with such duty or by the processor who entered into a Contract on processing personal data with ESCO. The processor shall ensure protection of the personal data of the Contractual Partner.

6. Personal data of the Contractual Partner shall not be provided to third parties except for the Contractual processor and a service provider engaged with arranging for or performance of transportation with the purpose of performing the Contract and when the processing it is necessary in order to accomplish a legitimate interest of ESCO or of the third party to whom the data are disclosed.

7. The Contractual Partner shall be entitled to access to its own personal data and to correction thereof, either in writing in the form of a letter / notification to ESCO's registered office or electronically by sending an e-mail to info@escogroup.eu.

8. Commercial communications may be sent to the Contractual Partner in the sense and under the conditions of Section 7 (3) of Act No. 480/2004 Coll., on Certain Information Society Services, provided that the Contractual Partner has the opportunity to refuse the use of the details of his electronic contacts for the delivery of such commercial communications. Withdrawal of such consent is free of charge and the Contractual Partner can opt-out by sending an e-mail to info@escogroup.eu.

§ 15 Place of Jurisdiction, Governing Law

1. To the extent the Contractual Partner is a merchant, the place of business of ESCO in the Czech Republic at the point in time of the initiation of the court proceeding shall be the place of jurisdiction. For the avoidance of doubt beyond the foregoing, the Parties confirm that the international jurisdiction between them is that of the courts of the Czech Republic having subject matter jurisdiction with local jurisdiction in accordance with the preceding sentence.

2. All Contracts between ESCO and the Contractual Partner as well as all legal relationships in connection therewith shall be subject to the respective applicable law of the Czech Republic.

3. If performance takes place in the Czech Republic and if the Contractual Party is a consumer, the extrajudicial settlement of disputes under consumer law shall be subject to the competence of the following authority: *Česká obchodní inspekce* based at Štěpánská 567/15, 120 00 Prague 2, ID no.: 000 20 869, internet address: <https://www.coi.cz/informace-o-adr>. The platform for extrajudicial online settlement of disputes available at the internet address <http://ec.europa.eu/consumers/odr> can be used by the Contractual Partner for the settlement of disputes between the purchaser and the seller arising from the Contract. The European Consumer Centre of the Czech Republic (*Evrópské spotřebitelské centrum Česká republika*) based at Štěpánská 567/15, 120 00 Prague 2, internet address: <http://www.evropskyspotrebitel.cz> is a point of contact under the Directive (EU) No. 2006/2004 and the Directive No. 2009/22/EC.

§ 16 Severability Clause, Final Provisions

1. If one of the above provisions and regulations is not valid, the closest valid regulation in the interest of ESCO shall be applicable.

2. The Contractual Partner shall be entitled to assign the Contract or any part thereof or any of its claims against ESCO under the Contractual relationship or any claim against ESCO only with the express prior written consent of ESCO.

3. These GTC shall apply as in force on the date of dispatch of the Order confirmation by ESCO or, if a Framework Agreement is concluded, as in force on the date of conclusion of the Framework Agreement. By entering into the Contract, the Contractual Partner accepts all provisions of these GTC as in force on the date of dispatch of the Order confirmation by Escoc, including the price of the Goods ordered as stated in the Order confirmation, unless otherwise demonstrably agreed in writing in a particular case. Where a Framework Agreement has been entered into, the Contractual Partner accepts the wording of these GTC as at the date of the Framework Agreement.

4. The wording of these GTC may be amended or supplemented by ESCO. In the absence of a Framework Agreement, these GTC as determined in accordance with the procedure set out in Section 3 above shall always apply. In the event that a Framework Agreement has been concluded, ESCO is obliged to inform the Contractual Partner at least by e-mail, and the Contractual Partner is then entitled to terminate the Framework Agreement in writing by registered letter within a period of three months, starting on the first calendar day following the calendar month of delivery of the information by ESCO to the Contractual Partner.

5. The UNIDROIT Principles of International Commercial Contracts - PICC shall apply to the Contract and these GTC where they do not conflict with any other provisions of the Contract, these GTC or the CC (including the dispositive provisions of the CC). No custom other than the PICC or any other custom expressly stated in the GTC or the Contract shall apply to the Contract, the GTC or the Framework Agreement.

Radomyšl, 2021