

PURCHASE TERMS AND CONDITIONS OF PIPELIFE CZECH, S. R. O. (HEREINAFTER REFERRED TO AS THE „PURCHASE TERMS AND CONDITIONS“)

TEXT APPLICABLE FROM 1. MARCH 2021

These Purchase Terms and Conditions of PIPELIFE Czech s.r.o., with its registered office at Kučovaniny 1778, 765 02 Otrokovice, ID No.: 60709391, registered in the Commercial Register of the Regional Court in Brno, Section C, Insert 15444 (hereinafter referred to as the „Customer“) regulate, together with the Master Purchase Agreement and individual purchase agreements, the mutual rights and obligations of the Contracting Parties and the binding rules for the implementation of deliveries and sale of goods by the Customer. The wording of these Purchase Terms and Conditions complements the content of the following agreements within the meaning of Section 1751 of Act No. 89/2012 Coll., the Civil Code, as amended and in force (hereinafter referred to as the „Civil Code“).

1. INTRODUCTORY PROVISIONS

(1) Orders of Pipelife Czech, s. r. o., („Customer“) for goods and services (hereinafter also referred to as the „Subject of Delivery“), as well as the conclusion of agreements shall - unless otherwise expressly stated in the order or directly in the agreement - be made exclusively on basis of these Purchase Terms and Conditions. Contrary conditions or different conditions or other limitations on part of the Supplier are not part of the agreement unless the Customer has expressly agreed with them in writing in each individual case. These Purchase Terms and Conditions are part of the order or the Master Purchase Agreement, if concluded, and form an integral part and content of the agreement concluded between the Customer and the Supplier.

2. OFFER

- (1) In the offer, each bidder shall adhere in the offer exactly to the Customer's demand and explicitly point out any deviations, if any.
- (2) The offer must be implemented free-of-charge and does not create any obligations for the Customer until an agreement is concluded.

3. CONCLUSION OF THE AGREEMENT

- (1) Orders and changes to orders shall be made in writing (or by fax and/or e-mail). The content of orders and changes to orders made verbally or by telephone is only binding if it has been confirmed by the Customer in writing.
- (2) Each order and change of order shall be confirmed in writing by the Supplier, and the confirmation must be received by the Customer within 8 days. After the expiry of this period, the order is deemed to be accepted and the agreement concluded under the terms and conditions of the Customer, unless the Supplier has refused this by written communication (fax or email is sufficient). Any deviations or additions mentioned in the Supplier's written confirmation shall not bind the Customer, unless the Customer has expressly confirmed them in a written confirmation sent to the Supplier. In such a case, the agreement is only concluded upon delivery of the confirmation of consent to the changes back to the Supplier.
- (3) If an agreement for work is concluded, the Supplier is not entitled to use a subcontractor for the performance of the agreement without a prior written consent of the Customer. In any case, the Supplier shall be liable for the deliveries and performances of its subcontractors or other suppliers and shall be responsible for ensuring that these are complied with.

4. PRODUCT REQUIREMENTS

- (1) The Subject of Delivery must correspond exactly to the quality conditions specified in the order, in particular the specification according to the specification list. If no special quality conditions are included in the order, the Subject of Delivery must be of at least the usual quality and the usually assumed properties and comply with the statutory and sub-statutory regulations applicable at the Customer's registered office, the place of performance and the Supplier's registered office at all times and (in this order in the event of a conflict between these regulations), in particular with safety regulations, environmental regulations, regulations for the protection of employees and regulations for the prevention of accidents, as well as applicable standards (such as e.g. Austrian Ö standards, German DIN standards, ČSN standards), directives, observing generally accepted procedures and technical rules and all regulations based on them. Standards and drawings specified in orders refer to the latest edition currently in force at the time of ordering, unless otherwise expressly stated in the order. The Supplier shall request all specifications from the Customer, if they have not already been provided.
- (2) The Supplier must inform itself sufficiently about the place of performance, the use of the Subject of Delivery and the requirements arising therefrom.
- (3) Should import, export or other official permits and authorisations or consents of third parties be required for the execution of the order, the Supplier shall arrange them in due time and they shall form part of the Supplier's obligations.
- (4) All relevant EU directives applicable to the product regarding CE marking or, in case of non-applicability of the EU law, other applicable national and international legislation shall be complied with. The corresponding declaration of product properties, including the corresponding documentation (for non-EU suppliers) is included in the delivery.
- (5) The Supplier is obliged to provide proof of preferential origin at the Customer's request. Supplies from non-EU countries shall be made in accordance with the preferential rules of origin of the relevant preferential agreement with the EU.
- (6) Together with the Subject of Delivery, the Supplier shall furthermore be obliged to deliver without request, all documents, manuals, drawings and other documentation required by the Customer, legal regulations or technical standards for the proper use, installation, assembly, processing, storage, operation, maintenance, inspection, upkeep and repair of the Subject of Delivery. Furthermore, it shall promptly identify the relevant manufacturer, importer or subcontractor on request.
- (7) If assemblies, maintenance, inspections, upkeep, etc. are carried out at the Customer's premises, the local safety guidelines for foreign companies that carry out agreements within the Customer's operation/premises shall apply to them. The Supplier is obliged to inquire about them.
- (8) The Supplier shall provide all components and services to meet the Customer's requirements, which are already included in the price, even if they are not explicitly stated in the order.
- (9) If tests are specified for the Subject of Delivery, the Supplier shall bear all relevant material costs and its personnel costs. The Supplier must notify the Customer in writing at least one week in advance of the readiness for the test and agree with the Customer on the date of the test. If the Subject of Delivery is not ready by this date, the Customer's personnel costs for the test shall be borne by the Supplier.
- (10) If repeated or additional tests are required as a result of defects found, the Supplier shall bear all material and personnel costs for these tests.
- (11) The Supplier shall be responsible for all appropriate material and personnel costs for the previous material documents.

5. PROVISION, INSTRUCTIONS, SPARE PARTS LISTS AND ASSEMBLY

- (1) The tools, films, print patterns and other equipment created or acquired by the Supplier for the execution of the order shall, upon payment for the Subject of Delivery at the latest, become the exclusive property of the Customer, even if they remain in the possession of the Supplier. Upon request, these items must be handed over to the Customer. If such transfer of ownership is prevented by binding legal regulations, the Supplier shall be deemed to have granted the Customer a time and territory unlimited licence to use, modify, distribute, etc. to the maximum extent permissible in a manner consistent with the ownership right. The price for the license is already included in the price of the Subject of Delivery.
- (2) All materials and the equipment provided to the Supplier by the Customer for production of the Subject of Delivery shall remain the property of the Customer. The Supplier may not use them for other purposes, reproduce them or pass them on to third parties. They shall be handed over to the Customer on request, including all copies and counterpart.
- (3) The Supplier must provide lists of spare parts in Czech language together with the delivery, at the latest, and at the Customer's request also in German and English. All at the Supplier's expense.

6. SPECIAL PROVISIONS FOR THE SUPPLY OF HARDWARE AND SOFTWARE

- (1) The Supplier warrants that the hardware and software supplied does not contain any copy protection devices, data and program blocking or similar restrictions on use and is free from third party rights. In any case, the delivery must contain clear and complete documentation in Czech, if this is not possible, then in German and English.
- (2) The Supplier grants the Customer a free-of-charge, time and place unlimited, transferable right to exercise the right and monetize the delivered software, including a free-of-charge time and place unlimited license, if any. The Supplier is also obliged to offer hardware and software maintenance services, as well as spare parts for at least 7 years after the performance in accordance with the agreement and to keep the Supplier informed about the latest versions of hardware and software.

7. PRICING AND DELIVERY TERMS

- (1) Unless otherwise stated in the agreement or in the order, the prices shall be understood as the DDP prices, including packaging, with delivery to the place of performance, unloading, including transport insurance. The prices are fixed and are understood to be exclusive of value added taxes.
- (2) The place of performance is the place specified in the order, in the absence of any other indication the Customer's registered office. However, the Customer is also entitled to accept optional deliveries from the Supplier's plant, less the transport costs. If the Customer exercises this right of choice, it shall notify the Supplier in due time. In this case, the use and risk passes to the Customer at the moment of acceptance.
- (3) Where delivery terms are specified in the order, they shall be interpreted in accordance with the terms of INCOTERMS 2010. The Supplier must send a timely notification of dispatch (in writing or by fax and/or e-mail) to the relevant receiving point.
- (4) The Supplier must pack, label and ship the hazardous products at its own expense in accordance with applicable national and international provisions.
- (5) The Supplier must take back the usual returnable packaging at its own expense.
- (6) The Supplier is responsible for compliance with the delivery conditions by its subcontractors, including the authorised transport entities. Any consignments that cannot be accepted due to non-compliance with these regulations shall be stored at the expense and risk of the Supplier. The Customer shall be entitled to ascertain the contents and condition of such consignments.
- (7) Should the Supplier reduce its prices and/or improve its terms and conditions between ordering and delivery, the prices and conditions applicable on the date of delivery shall apply. Price increases and increased deliveries are only accepted in the invoice if the Customer has agreed in writing prior to the receipt of the invoice. Otherwise, the Customer is obliged to pay only the originally agreed amount.

8. DELIVERY NOTES AND INVOICES, CERTIFICATES OF ORIGIN

- (1) Each delivery must be accompanied by a delivery note on which the order number must be indicated. In the case of sea transport, the name of the shipping company and the ship must be stated on the shipping documents and invoices.
- (2) Invoices must not be attached to the delivery. Invoices without an order number or without an attached delivery note signed by the Customer may be returned.
- (3) Invoices shall correspond to the order in terms of the method of expression, order of text, items and prices. Increased or reduced costs must be shown separately on the invoice. Invoices - tax documents must contain the requirements according to Czech legislation or EU regulations on accounting and value added tax.
- (4) If the invoices do not comply with paragraphs (2) and (3), the Customer may request a new invoice. The invoice will not become due and payable until a proper invoice has been received.
- (5) For intra-EU deliveries, each invoice shall include the statistical number of the goods (Intrastat) and the actual weight of the goods, as well as the VAT number of the Contracting Parties.

9. DELIVERY TIME AND DELIVERY DELAYS

- (1) If a delivery period is agreed, it shall run from the date of conclusion of the agreement (as per clause 3). The delivery or production dates specified by the Customer and/or agreed upon are fixed dates and mean that the Subject of Delivery must be available to the Customer at the specified place of performance on the specified delivery date during the Customer's normal business hours.
- (2) If the Supplier can assume that it will not be able to deliver on time, it shall immediately notify the Customer in writing, stating the reasons and the expected duration of the delay.
- (3) If the Subject of Delivery is not delivered within the agreed delivery period without defects, regardless of whether this is the Supplier's fault, the Supplier shall additionally be obliged to pay the Customer a contractual penalty of 0.3%, up to a maximum of 10%, of the total value of the Subject of Delivery excluding VAT for each commenced week by which the delivery of defect-free goods is delayed. Furthermore, the Customer shall be entitled to withdraw from the agreement in the event of delay in delivery, notwithstanding other statutory or contractual claims, after the Supplier has failed to perform even within a reasonable additional period for performance. Claims for damages in excess of this shall remain unaffected.
- (4) In the event of delivery before the agreed date, the Customer reserves the right to invoice the Supplier for additional costs resulting from this, such as storage costs.

10. PAYMENT AND PROHIBITION OF ASSIGNMENT

- (1) The due date shall commence not earlier than upon receipt of a defect-free Subject of Delivery, together with a duly issued invoice, provided that the conditions for CE marking and the declaration of product properties pursuant to clause 4 (4) are met. If the time of receipt of the Subject of Performance, together with the invoice and the time of fulfillment of the conditions for CE marking and declaration of product properties differ, the due date shall start only from the moment of fulfillment of the last condition. In the event of claims for defects in the Subject of Performance after acceptance, the due date shall not commence until they have been fully settled. Unless otherwise agreed, the maturity period shall be 30 days from the date on which the maturity period commenced. The invoice will be delivered to PipeLife Czech, s. r. o. at the following address: faktura@pipelife.cz (always according to the rule: 1 invoice including attachments = 1 PDF file = 1 email).
- (2) Assignment of any claims of the Supplier against the Customer is only permissible with a prior written consent of the Customer.
- (3) Payment by the Customer does not mean the recognition of the correctness of the delivery or the balance of the invoiced amount and therefore no waiver of the Customer's respective claims for the proper performance of the agreement. At the same time, it does not imply acceptance of the Supplier's terms and conditions and prices, and does not affect any rights under warranties or other rights of the Customer arising from defective performance.

11. ACCEPTANCE OF GOODS, LIABILITY FOR DEFECTS, CHANGE OF CIRCUMSTANCES

- (1) The passing of the risk of damage to the goods occurs only at the moment of acceptance of the faultless Subject of Delivery by the Customer at the delivery address (i.e. in the agreed quantity, quality and design, including compliance with the conditions for marking pursuant to clause 4(4)). The above also applies in case of transport of the Subject of Delivery by a third party to whom the Supplier has handed it over. The provisions of Sections 2121 to 2124 of the Civil Code shall not apply to the contractual relationship between the Customer and the Supplier.
- (2) The confirmation on the delivery note (return) and/or the confirmation of acceptance of the Subject of Delivery by the Customer is always valid only with the proviso that the subsequent inspection does not reveal any deficiencies regarding the quantity and/or other defects of the Subject of Delivery. If any deficiencies are found during the inspection, the date of acceptance shall be the date on which the Subject of Delivery is accepted without defects and any other reservations within the meaning of the relevant provisions of Czech law.
- (3) All costs and risks of additional performance shall be borne by the Supplier.
- (4) The time limit for exercising the rights for liability for defects for movable items is 2 years and starts on the day, when the Customer has finally (i.e. without defects and reservations) accepted the Subject of Delivery.
- (5) The Supplier warrants that the Subject of Delivery comply with the quality requirements pursuant to clause 4 (1) of these Purchase Terms and Conditions. Furthermore, the Subject of Delivery must correspond in all respects to the existing sample, design and any description and must be free of any third party rights. The Subject of Delivery and its elements shall also correspond to the public statements made by the Supplier and the manufacturer (in particular in brochures and product descriptions), as well as to the statements made by all persons operating in the production or marketing chain and to the public information of the person who, by the display of his/her name, brand or other designation, identifies himself/herself as the manufacturer. The Supplier's liability also applies to parts manufactured by subcontractors. The Supplier shall provide the Customer with a quality guarantee for the Subject of Delivery for a period of 24 months for movable items and 60 months, if they become a part of a building (including immovable items) and warrants that the Subject of Delivery will be fit for use for the agreed purpose during the warranty period and that it will retain the agreed properties and comply with the quality requirements under clause 4 (1) of these Purchase Terms and Conditions during the warranty period. The warranty shall commence on the date on which the Customer has finally (i.e. without defects and reservations) accepted the Subject of Delivery.
- (6) If the Subject of Delivery exhibits one or more defects after the risk of damage to the goods has passed pursuant to clause 11(1), the Customer may exercise its rights under liability for defects. In the event of a material breach of the agreement, the Customer may, at its option, demand the removal of the defect or delivery of a defect-free Subject of Delivery, a reasonable discount (price reduction) or withdraw from the agreement. The Customer is obliged to inform the Supplier, which right it has chosen. If the Supplier has not remedied the defect within a reasonable period of time (maximum 14 days) or has notified the Customer that it will not remedy the defect, the Customer may demand a reasonable discount from the price of the Subject of Delivery or withdraw from the agreement. The Customer does not have the right to withdraw from the agreement, if the termination of the agreement would be inadequate due to the particularly minor significance of the defect. The right to assess the adequacy belongs to the Customer.
- The Customer's rights arising from defects in the Subject of Delivery shall remain valid both in the event of acceptance of the Subject of Delivery by the Customer and in the event of failure to notify the defect within the given time limit or failure to notify it at all. The provisions of Sections 2111 and 2112 of the Civil Code are therefore excluded.
- (7) With regard to defects that cannot be detected during the period for the defect complaint even with economically reasonable and usual costs, the Customer is entitled to file a defect complaint even after the expiry of this period, at least 3 months after the defect has been detected, and the Supplier is also liable for these defects.
- (8) If the defect has been notified to the Supplier in time, the period for exercising rights under the defective performance or the warranty period does not run for the period, during which the Customer cannot use the defective Subject of Delivery (even if only partially). If the Subject of Delivery is replaced, the period for exercising rights or the warranty period is renewed, in case of partial replacement this applies to the new replaced parts.
- (9) After the expiration of the reasonable period for the removal of the defect, the Customer may remove the defect itself or have it removed by third parties and claim compensation for the incurred costs. It is also entitled to this right, if the removal of defects fails or if it is preferable for the Customer for serious reasons in the person of the Supplier, if the Supplier refuses to remove the defect, if the defect is not removed or cannot be removed within the time specified in the agreement or within a certain period of time, or if there are circumstances which, considering both parties' interests, justify the immediate removal of the defects by the Customer. The Customer may require the Supplier to advance the cost of remedying the defect.
- (10) The Supplier shall remain liable for defects in the Subject of Delivery, where the Customer or third parties remedy the defects as if it had remedied them itself.
- (11) Should the defect become apparent during the processing of the Subject of Delivery by the Customer, the Customer is also entitled to compensation for the costs incurred in connection with use of the defective material as a claim for damages. The Supplier shall indemnify and reimburse the Customer's costs arising from defective performance rights and/or claims for damages made against the Customer by the Customer's customers and caused by the defective goods delivered.
- (12) Until the defect has been rectified, the Customer does not have to pay the part of the price of the Subject of Delivery estimated to be reasonably corresponding to its right to a discount. This amount will not bear interest.
- (13) No third party security rights of any kind may exist against the Subject of Delivery at the time of acceptance by the Customer.
- (14) By accepting these Purchase Terms and Conditions, the Supplier further assumes the risk of a change of circumstances within the meaning of Section 1765(2) of the Civil Code, excluding the application of Sections 1765(1) and 1766 of the Civil Code.

12. LIABILITY FOR DAMAGE CAUSED BY DEFECTS OF THE SUBJECT OF DELIVERY, LIABILITY FOR DEFECTS AND INSURANCE

- (1) The Supplier shall be liable for damages caused by defects in the Subject of Delivery (consequential damages due to defects) without limitation.
- (2) The Supplier undertakes to indemnify the Customer against all damages arising from its liability for defects in the Subject of Delivery (unless such defects are remedied by the exercise of rights under defective performance), including partial products, and including damages arising from claims made by third parties, both in case of damage to persons and property.
- (3) Should the Supplier subsequently discover circumstances that could give rise to liability claims for defects in the Subject of Delivery, the Supplier shall immediately inform the Customer thereof and shall compensate the Customer for all costs and all damages incurred by the Customer in connection with the steps associated with recall of defective products, or which must be compensated to third parties.
- (4) Should legal disputes arise in cases of liability for defects in the Subject of Delivery, the Supplier shall provide the Customer with all reasonable evidence in a timely manner, support the Customer to the best of its ability and reimburse the reasonable costs of such legal disputes.
- (5) Any claims of the Supplier for compensation of costs incurred due to postponement (postponement of the date) of delivery of the Subject of Delivery on part of the Customer are excluded.
- (6) The Supplier must take out sufficient liability insurance at its own expense for damage caused by it, its staff or persons authorised by it in connection with the delivery of the Subject of Delivery. The amount of cover per claim must be demonstrated to the Customer upon request.
- (7) The liability of the Customer for destruction or damage to machines, instruments, tools, etc. transferred to the Supplier by the Customer is excluded - except in cases of intentional acts or gross negligence.

13. CONFIDENTIALITY

- (1) The Supplier undertakes to keep confidential any information, which comes to its attention in connection with the order, unless it is generally known or has been obtained by other lawful means. It will use the data known to it exclusively for the purpose of order execution. The Supplier shall also keep confidential the drawings, samples, models, moulds and other production materials and aids which have been handed over to the Supplier and which remain the material and intellectual property of the Customer and which the Customer may freely use. The Supplier shall protect all such information and documents against access by third parties and shall also oblige its employees and third parties whom it authorises to process such information or who may come into contact with such information to maintain appropriate confidentiality. The provisions regarding confidentiality and data protection exist even after the order has been fully fulfilled and all contractual relations with the Supplier have been terminated.
- (2) The Supplier's data from the relevant business case shall be processed with computer support principally only for the purpose of implementing the agreement, in particular for administration and settlement purposes.
- (3) The Supplier agrees that the Customer shall process the order-related data and that it may be transferred between the Wienerberger Group Companies.
- (4) The Supplier must treat the demand and the order as confidential. It shall be liable for all damages incurred by the Customer as a result of a breach of this obligation.

When dealing with personal data, the Contracting Parties shall be governed by Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), as well as the Privacy Policy, which is published here: <https://www.pipelife.cz/zasady-ochrany-osobnich-udaju.php>

Contact details of the controller:

Pipelife Czech, s. r. o.; Kučovaniny 1778, 765 02, Otrokovice; E-mail: pipelife@pipelife.cz
(5) The Supplier expressly consents to the handling of its personal data in accordance with the aforementioned Regulation and the Privacy Policy by the aforementioned controller and any entity that is part of the Wienerberger Group.

14. ADVERTISING MATERIAL / MENTION OF REFERENCES

The Supplier may only inform about the business relationship with the Customer in any context with the express written consent of the Customer.

15. INFRINGEMENT OF INDUSTRIAL PROPERTY RIGHTS

The Supplier shall be liable for any infringement of patents, licences or protective rights of third parties in connection with the supply and use of the Subject of Delivery and shall bear all resulting costs and damages and indemnify the Customer against any such damages.

16. TERMINATION OF THE AGREEMENT

- (1) The Customer is entitled to withdraw from the agreement without prejudice to its other rights, in particular if: insolvency proceedings are opened against the Supplier; the Supplier is in default in the performance of any of its obligations, including those arising from another business relationship between the parties, and the Supplier fails to remedy the default even after an additional request from the Customer; there are circumstances, which clearly prevent further proper performance of the order.
- (2) In the event of a justified withdrawal from the agreement, the Customer may, at its own discretion, either keep the goods already delivered against payment of the corresponding pro rata payment or send them back at the Supplier's expense. In the event of withdrawal from the agreement by the Customer for reasons on the Supplier's side, the Supplier must also compensate the Customer for any damage incurred by the Customer by placing an order with a third party.

17. GOVERNING LAW, PARTIAL INVALIDITY AND INTERPRETATION OF CLAUSES

- (1) The Purchase Terms and Conditions and all legal relations between the Customer and the Supplier shall be governed by the Czech law. The application of the UN Convention on Contracts for the International Sale of Goods and rules of private international law is excluded.
- (2) If any provision of these Purchase Terms and Conditions is invalid or ineffective, the validity, effectiveness or enforceability of the other provisions of these Purchase Terms and Conditions shall not be affected. In such a case, these Purchase Terms and Conditions (or the invalid or ineffective provisions thereof) shall be interpreted in accordance with the rule, which is as close as possible to the invalid or ineffective provision and corresponds to the economic purpose of the agreement.

18. JURISDICTION

The place to resolve any disputes that could not be settled out of court despite best efforts is: (i) the District Court in Zlín in cases, where the district courts have jurisdiction in the first instance, and (ii) the Regional Court in Brno in cases where the regional courts have jurisdiction in the first instance. In any event, the Customer shall also have the right to sue the Supplier in the general court of the Supplier.