



**General Sales and Delivery Terms (T&Cs)
of MEDEVO s.r.o**
dated 03.2022



MEDEVO⁺

MEDEVO s.r.o.

General Sales and Delivery Terms of MEDEVO s.r.o., Id. number 018 05 053, having its registered office in Sokolovská 573, Mařatice, 686 01 Uherské Hradiště, Czech Republic (hereinafter referred to as the “Seller”)

Sect. 1 Scope of Application

1. All the Seller's deliveries, performances and quotations are based on these General Sales and Delivery Terms (hereinafter referred to as the “**General Terms**”). The General Terms constitute part of all the agreements concluded by the Seller with its contractual partners (hereinafter referred to as the “**Customers**”) on the deliveries, services, performances and quotations provided by the Seller. They also apply to all future deliveries, services, performances and quotations provided by the Seller to the Customer even if they are not agreed again separately.
2. The General Terms shall apply exclusively for the contract concluded between the Seller and the Customer (hereinafter the “**Contract**”) irrespective of the fact the Customer has issued its own general terms or it refers in other way to its own general terms. Deviating or conflicting terms and conditions of the Customer are included in the Contract only if and insofar as the Seller has expressly agreed to their application in writing in the Contract. Unless explicitly stated otherwise in these General Terms, the term "Contract" includes also these General Terms.
3. Only the Contract concluded in writing, including these General Terms, is authoritative for the legal relationships between the Seller and the Customer. The Seller's oral assurances made before entering into the Contract as well as any subsequent additions, modifications and supplementary agreements become binding only after the Seller has confirmed them in writing in the Contract.
4. References to Sections and Paragraphs are to the Sections and Paragraphs of this General Terms.

Sect. 2 Quotation and Quotation Documents

1. The Seller's quotations are subject to change and non-binding unless they are expressly indicated by the Seller as binding or contain a specific acceptance period.
2. Except as stated otherwise by the Seller, the Seller reserves ownership and all copyrights to illustrations, drawings and other documents made available to the Customer. Passing on such documents to third parties requires the Seller's prior express written consent and they must be returned to the Seller immediately upon its request.

3. Unless agreed otherwise in writing, samples are only delivered at extra cost.
4. The Seller's sales representatives are entitled to represent the Seller only if and insofar as a written power of attorney was granted.

Sect. 3 Pricing and Payment Terms

1. The Seller's pricing specified in the quotation and/or order confirmation applies to all delivery Contracts. All prices are in EURO EX WORKS, Uherské Hradiště, Sokolovská 573 (Incoterms ® 2010), excluding carriage charges, insurance, customs, duties and other public duties as well as statutory VAT. For international deliveries without VAT, the Customer is obligated to certify the receipt of the goods at the agreed delivery location to the Seller.
2. In case the Customer orders the goods which price is less than 100,- EUR not including VAT, it shall pay above the price further the extra fee in the amount of 25,- EUR. The price of goods under the preceding sentence shall not include postage and package posts.
3. Unless otherwise agreed in writing, the net payment term for all invoices is 30 days after invoice date. Statutory regulations apply in case of delayed payments.
4. If an invoice amount is due and not paid despite two reminders performed by the Seller, all other outstanding invoices issued by the Seller become due for the Customer at the moment when expires the period for payment set out in the later of the reminders mentioned above.
5. Bills of exchange are not accepted.
6. The Customer may offset the Seller's claims only if the Customer's counterclaims have been legally determined by a final court decision and if they are acknowledged by the Seller in writing.
7. The Customer is entitled to exercise its right of retention only insofar as its counter-claim is based on the same contractual relationship and furthermore has been legally determined by a final court decision and is acknowledged by the Seller in writing.
8. If it becomes apparent after conclusion of the Contract that the Seller's entitlement to payment of any claim under the Contract is at risk owing to the Customer's insufficient financial capacity, the Seller is entitled to terminate the Contract immediately.

Sect. 4 Delivery

1. The Seller shall made delivery of goods under the Contact in accordance with the EX WORKS, Uherské Hradiště, Sokolovská 573 (Incoterms ® 2010).
2. Delivery and service periods and dates promised by the Seller are only approximate values unless a specific period or date has been expressly promised or agreed in the Contract concluded in writing.
3. For sales ex works the delivery period is deemed fulfilled if the goods are made available to the Customer at the Seller's premises within the delivery period or on the delivery date. If shipment has been agreed, delivery periods and dates refer to the point of time when the goods are handed over to the forwarding agent, freight carrier or other third party designated to perform the shipment.
4. In case the Seller undertakes itself in the Contract to ensure the transport of goods to the agreed destination, the Seller assumes no liability for delivery delays insofar as they have been caused by *Force Majeure* under Clause 9 or other events unforeseeable at the time of Contract conclusion and which occur without the Seller's fault(e.g., difficulties in sourcing materials or energy; acts of authorities, strikes, lockouts or any other labour conflicts; difficulties in procuring the necessary official approvals; or missing, incorrect or late deliveries from upstream suppliers, any other acts of authorities issued for purposes of protection against contagious infection or in connection with an epidemic or pandemic, difficulties in getting necessary permissions and other regulatory limitations issued not by authorities but by contract partners (notified persons), which are under statutory requirements included in the Seller's production and supply chain. In case of these temporary circumstances, the delivery and performance periods are extended or postponed by the duration of the circumstance plus a reasonable starting period.
5. The Seller is entitled to partial deliveries and partial performances at any time unless otherwise agreed in writing.

Sect. 5 Transport, Default of Acceptance

1. In case the Seller undertakes itself in the Contract to ensure the transport of goods to the agreed destination, the Seller shall be entitled but not obligated to insure deliveries on the Customer's behalf and account.
2. In case of transport damage, the Customer shall immediately record properly the damage, initiate an investigation of the event causing the damage by the responsible authorities, if it is prescribed by the law and/or transport conditions and notify on such record and investigation a carrier and the Seller without delay.

3. If the Customer fails to accept delivery when offered by the Seller or otherwise intentionally breaches other obligations to cooperate, the Seller is entitled to claim compensation for any damages it incurs including any additional expenses. Claims and rights extending above and beyond this remain reserved.

Sect. 6 Liability for Material Defects

1. The Seller shall be liable for any defect of the goods only if the Customer has correctly fulfilled its inspection and notification obligations pursuant to § 1921 and following and § 2104 and following of the Czech Civil Code. In case the Customer does not fulfil these obligations, the Seller shall not be liable for the defects. Objections to visible defects, in particular an incomplete delivery, shall be notified by the Customer to the Seller in writing only within three working days from the date of delivery of the goods, otherwise the Seller shall not be liable for such defects.
2. The contractually agreed composition characteristics are authoritative in determining the absence of defects of the delivered goods. The Customer assumes liability for the correctness of the documents it has provided, in particular for drawings and samples. The Seller hereby explicitly prohibits to the Customer to carry out any repairs or adjustments of the products representing the goods under the Contract.
3. In case of material defects of the delivered goods, which have been duly inspected and notified by the Customer, the Seller is, at its discretion, entitled to subsequent fulfilment by removing the defect or to deliver new goods without defects. In the case of subsequent fulfilment, the Seller is obligated to bear all required, proportional expenses associated with the subsequent fulfilment, in particular transport, infrastructure, labour, and material costs, insofar as these are not increased by the fact that the purchased item has been relocated to somewhere other than the company headquarters of the Customer.
4. If the legal requirements are met, the Customer is entitled to withdraw from the Contract or to claim an appropriate discount on the purchase price.
5. If the Seller is liable for the defect, the Customer may claim damages only under conditions defined in Sect. 8. However, what can be achieved by asserting the right from a defective performance may not be claimed for any other legal cause.
6. Notwithstanding the above mentioned in this Section 6, the Seller shall not be liable for defects (if any) arisen as a result of:
 - (a) natural disaster, willful damage or another external event not caused by the Seller,
 - (b) transport, storage, usage or other handling with the goods contrary to the relevant documentation provided by the Seller or the Seller's oral or written instructions and if there are none, then contrary to good trade practice regarding the same,

- (c) unprofessional or unjustified intervention, incorrect maintenance, location in an unsuitable environment or mechanical damage,
- (d) defects of operational software,
- (e) adjustments of the goods carried out by the Seller following any instruction or specification supplied by the Customer.
- (f) any other cases when the liability for defects is excluded under the law No. 89/2012 Sb., civil code, as amended (hereinafter the “**Czech Civil Code**”).

Sect. 7 Liability for Legal Defects

1. The Seller has to deliver the goods that are free from the rights of third parties existing according to Czech law or according to the law of the country where the Customer’s headquarters are located, and which it was aware of or could not have been unaware of.
2. If the Seller violates this obligation, the Seller is to modify or exchange the delivery item at its discretion and cost so that the rights of third parties are no longer violated while the delivery item still fulfils its contractually agreed functions. If the Seller fails to do so within a reasonable period determined by the Customer, the Customer is entitled to terminate the Contract or to claim an appropriate discount on the purchase price.
3. Any claims for damages are subject to the restrictions set out in Sect. 8.
4. In case of a violation of the rights of third parties, the Seller’s obligations named in this Sect. 7 are sole and exclusive and subject to conditions set out in Sect. 8.
5. The Seller shall be liable for legal defects only if any and all following conditions are fulfilled:
 - the Customer immediately informs the Seller of the claimed rights of third parties;
 - all the defensive actions, including out-of-court settlements, are reserved for the Seller;
 - the legal mistake is not based upon an instruction from the Customer or a violation of the Customer’s statutory or contractual obligation; and
 - the legal mistake was not caused by the Customer modifying the delivery object on an unauthorised basis or using it in a manner that is not compliant with the Contract.

Sect. 8 Other Liabilities

1. The Seller shall be liable for damages arising out of or related to this Contract (hereinafter the “**Damages**”), especially for the Damages caused by the Seller’s breach of obligation under the Contract, only to the extent and under the conditions set out in this Section 8.

2. The Seller shall be liable for the Damages only in following cases:
 - (a) in case of Damages caused intentionally or due to gross negligence,
 - (b) for harm caused to the natural rights of an individual,
 - (c) under the statutory provisions on the damage caused by a product defect,
 - (d) in case of defects, which have been fraudulently hidden by the Seller or whose absence has been expressly guaranteed by the Seller,
 - (e) in case of any other liability which cannot be limited or excluded by applicable law.
3. In case of the Damages caused by the Seller's breach of obligation under the Contract, which is essential for achieving purposes of this Contract and which the Seller has breached neither intentionally nor due to gross negligence, the Seller shall be liable only for the Damages which it envisaged as a possible result of a breach of its obligation, or which could have been envisaged, if it had taken all due care (due diligence).
4. Except as expressly set forth in Par. 2 of this Section 8, the Seller shall in no circumstances be liable to the Customer for:
 - (a) the Damages caused in the same cases when the Seller shall not be liable for defects of goods,
 - (b) any contractual indemnities and/or Damages, regardless of the legal reason, in particular from impossibility, delay, poor delivery, other contractual violations and tort,
 - (c) any loss of profits, business, contracts, anticipated savings, goodwill revenue or penalties imposed by the third party, or
 - (d) any special, indirect or consequential loss whatsoever incurred by the Customer.
5. The total maximum liability of the Seller for the Damages arisen out of one or more damage events relating to the specific supply of goods (hereinafter the "**Relevant Supply**") shall be limited to the total amount of 100 % of purchase price incl. VAT which has been paid by the Customer to the Seller for the Relevant Supply.
6. The stipulation on exclusion or limitation of liability set out in this Section 8 shall be applied on Damages caused due to breach both of statutory and contractual obligations.

Sect. 9 Force Majeure

1. If either Party is prevented from performing in whole or in part, their obligations under the Contract, by circumstances over which the Party has no control, which could not reasonably have been expected and which could not reasonably have been avoided or overcome, such as especially, but not exclusively natural cataclysms, strike, violent act, law or act of authorities prohibiting performance of this agreement, provided such law or act comes into effect after execution of

this agreement (including any quarantine, movement restriction or other limitations issued due to health threats in connection with e.g. coronavirus occurrence or other contagious infection), etc. (any of that hereinafter the “**Force Majeure Event**”) this shall suspend performance of the obligations without incurring any liability for compensation whatsoever under the Contract.

2. If a Party’s performance of its obligations under the Contract is affected by a Force Majeure Event, such Party:
 - (a) shall give written notice to the other Party, specifying the nature and extent of the Force Majeure immediately on becoming aware of the Force Majeure Event;
 - (b) shall use all reasonable endeavours to bring the Force Majeure Event to an end and, whilst the Force Majeure Event is continuing, to mitigate its severity; and
 - (c) shall give written notice to the other Party also on the end of the Force Majeure Event and resume performance of its obligations as soon as reasonably possible after the Force Majeure Event ceases.
3. As soon as practicable following the affected Party's notification, the Parties shall consult with each other in good faith and use all reasonable endeavours to agree appropriate terms to mitigate the effects of the Force Majeure Event and to facilitate the continued performance of the Contract.
4. Unless otherwise agreed, if the Force Majeure Event lasts longer than 2 months from receipt of the notification of the Force Majeure Event, either Party shall be entitled to terminate the Contract with immediate effect.

Sect. 10 Termination

1. The Seller may at any time terminate a Contract immediately even without any advance notification by giving written notice to the Customer for a compelling reason without notice period, in particular if:
 - (a) the industrial property rights, which constitute the basis for production or supply of the goods under the Contract, have been violated, or applications for industrial property rights failed to result in the granting of that property right or these industrial property rights have been impaired or came to the end for whatever reason,
 - (b) the Customer starts to acquire products identical or comparable to the goods from a supplier different from the Seller,
 - (c) the contractual products, including industrial property rights, cannot be marketed due to a legal or legally binding injunctive ban;
 - (d) a certification required for marketing the contractual products was withdrawn or revoked, or not granted or renewed otherwise by the appointed agencies or notified bodies;
 - (e) if insolvency proceedings have been commenced concerning the assets of the Customer or not commenced due to lack of assets or if the Customer has filed for bankruptcy.

2. Without prejudice to Par. 1 of this Section 10 either Party shall be entitled to terminate the Contract in any of the following cases:
 - (a) if the other Party commits a material breach of any term of the Contract and fails to remedy that breach within a period of calendar fifteen (15) days after being notified in writing to do so;
 - (b) in other cases when reasons for termination are set out by statutory provisions or provisions of the Contract.

3. The material breach of the Contract committed by the Customer which entitles the Seller to terminate the Contract under Par. 2 (a) of this Section 10 shall mean especially, but not exclusively:
 - (a) the Customer's delay with any payment of debt under the Contract,
 - (b) the Customer's delay with take over of the supplied goods,
 - (c) the Customer has not prevented third persons from violating the rights which constitute the basis for production or supply of goods under the Contract or it violated the third persons' rights due to implementation or other disposal with goods, or
 - (d) the Customer promotes or uses the products representing goods contrary to instruction for use or their common designation including the cases when the Customer in such wrongful manner promotes or uses the products in which the goods has been implemented.

4. The termination for whatsoever reason shall be made in writing with specification of the reason of termination, otherwise it shall not be valid. Termination of the Contract shall not affect the executed deliveries of Goods, the right to claim damages for any breach of this agreement that existed at or before the date of termination nor the provisions of the Contract which under the Parties' will or by their nature shall survive the termination of the Contract.

Sect. 11 Industrial Property Rights

1. Despite patent situation audits the Seller cannot guarantee the products representing the goods are free from patents or other third persons' industrial property rights. Any claims made by the third persons shall be immediately notified to the Seller. The Seller shall be entitled to suspend or cease delivery of goods for substantial reasons, e.g. if regarding the supplied goods there is a risk of patent dispute or if such patent dispute is pending or due to statutory requirements or for other reasons which may be relevant for conformity of products with statutory requirements.

2. The Seller hereby reserves to determine in its sole discretion which it unilaterally notifies to the Customer to stop deliveries of particular products or group of products and/or stop certification of particular products or group of products due to increased regulatory requirements or on another internal reasons, any of that being effective at the moment of notification to the Customer. The Customer shall not be entitled to require from the Seller any indemnification or compensation

caused by such stopping. Especially the Customer shall not be entitled to require from the Seller any indemnification or compensation for incurred costs as may be marketing costs, (e.g. spent for media, personnel etc.), loss of profits etc.

Sect. 12 Limitation

1. The limitation period for claims from material defects and legal defects regarding to each delivery shall be one year from the transfer of risk to the respective goods to the Customer. For claims for damages according to Sect. 8 Para. 2 and 3, the statutory limitation periods shall apply.

Sect. 13 Retention of Title

1. The Seller reserves the title to the delivered goods until the purchase price for the relevant delivery of goods has been received by the Seller in full. If the Customer breaches the Contract, in particular in case of any delayed payments, the Seller is entitled to demand the return of the reserved goods. A return of reserved goods to the Seller constitutes termination of the Contract.
2. The Customer is further entitled to resell the reserved goods during the course of ordinary business as long as it fulfils its obligations arising from the business relationship in a timely manner; the Customer is, however, not entitled to seizure or security transfer of the reserved goods. The Customer assigns to the Seller all claims arising for the Customer from reselling to its buyers or third parties. The Seller accepts the assignment. The Customer may collect these claims even after the assignment. The Seller's authority to collect the claims on its own name remains unaffected by this. However, the Seller undertakes not to collect receivables while the Customer meets its payment obligations from the collected profits; does not fail to pay in due time; and has not applied to file for insolvency proceedings; or has ceased to pay. If this is the case however, the Seller may demand that the Customer states the assigned demands and their debtors, provides all required information for collection, hands over the associated documents and informs the debtors about the assignment.
3. Processing or reshaping the reserved goods by the Customer is always carried out on the Seller's behalf. If the reserved goods are processed with other objects not belonging to the Seller, the Seller acquires co-ownership of the new goods in the ratio of the value of the reserved goods (final invoice amount including VAT) to the other processed objects at the time of processing.
4. If the reserved goods are inseparably joined or mixed with other objects not belonging to the Seller, the Seller acquires co-ownership of the new goods in the ratio of the value of the reserved goods (final invoice amount including VAT) to the other joined or mixed objects at the time of joining or mixing. If joining or mixing

takes place in a fashion that leads to the item of the Customer being considered the main item, it is considered agreed that the Customer transfers pro rata co-ownership to the Seller. The Customer retains the sole ownership or co-ownership for the Seller of the property that so arises.

5. Incidentally the same applies to the item that has been created by processing, joining or mixing as for goods supplied under reservation.
6. The Customer is to immediately inform the Seller, and hand over to it, the documents necessary for an intervention, about the debt enforcement of third parties on the goods delivered with reservation or on the demands assigned to the Seller or on other securities. This also applies to other types of impairment.
7. The Seller undertakes to release the securities to which it is entitled upon the Customer's demand to the appropriate extent if the realisable value of the securities exceeds the demands to be secured by more than 20%. The Seller is free to determine the selection of securities to be released.

Sect. 14 Traceability, storage period and precaution

1. The Seller and the Customer make sure that they will keep traceability of individually specified products representing the goods to the end customer.
2. Any data necessary for tracing of products supplied by the Seller according to Par. 1 shall be stored by the Customer within a period of 10 years starting from the last delivery. The Customer shall provide these data to the Seller at its request.
3. The Customer shall inform the Seller immediately about any incident or potential incident relating to any of supplied products, it shall hand over to the Seller any necessary information and cooperate with the Seller in case of withdrawal of the product or any other remedy.

Sect. 15 Final Provisions

1. The Customer declares its consent that the Seller may store the Customer data received in connection with the business relationship for the purpose of the business relationship and may transmit the data, insofar as is required for Contract fulfilment, to third parties (e.g., for credit assessment; to insurers etc.).
2. The Customer's claims may only be assigned with the Seller's prior written consent.

3. The Seller hereby declares it will comply with statutory requirements on legal minimum pay.
4. The Customer shall comply with all applicable laws and regulations in the territory of all states where the Contract is fulfilled or where the goods is used, especially with statutory requirements on legal minimum pay, if it is applicable. Especially it shall abide by orders and recommendations of the United Nations Global Compact.
5. The exclusive place of jurisdiction for all disputes arising out of or in connection with this contractual relationship is, wherever permissible, the District Court in Uherské Hradiště provided that it has also the subject-matter jurisdiction, otherwise it shall be the Regional Court in Brno.
6. These General Terms and any Contracts between the Seller and the Customer and any dispute or claim arising out of or in connection with them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of the Czech RepublicThe system of international private law and of the UN law on the sale of goods (CISG) are excluded.
7. Should one or more provisions of these General Terms become ineffective, this does in no way affect or impact the validity and enforceability of the remaining clauses. In that case, the parties undertake to replace the ineffective provision by a legally effective provision coming as close as possible to the provisions' economic intentions. The same applies in the event of any regulation gaps.
8. These General Terms become effective as of 1st March 2022.

MEDEVO s.r.o.

Signature: _____

Name: _____

Title: _____