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**GENERAL BUSINESS TERMS AND  
CONDITIONS  
PRŮMYSLOVÁ KERAMIKA, Ltd.**

**I.**

**Introductory Provisions**

1. The company **Průmyslová keramika, Ltd.** with its registered seat Rájec 627, Rájec-Jestřebí 679 02, company ID: 43420150, incorporated in the Commercial Register maintained by the Regional Court in Brno, section C, file No. 3219, is the supplier, among others, of refractory mixtures and refractory pre-formed shapes.
2. These General Business Terms and Conditions (hereinafter referred to as the “GBTC”) shall govern relationships in deliveries of the Goods of the company **Průmyslová keramika, Ltd.** to the third parties established on the basis of all concluded purchase agreements or framework purchase agreements (hereinafter referred to as the “Agreement”) and shall constitute an integral part of the Agreement.
3. The GBTC shall be exclusively applicable. Derogating business terms and conditions of the Buyer shall not be valid even if the Buyer has notified of its own, different General Business Terms and Conditions and/or even if these terms and conditions are printed on the Buyer’s documents, in particular on its order forms.
4. Any derogations from the GBTC shall be agreed in writing in the relevant Agreement. Provisions contained in the Agreement shall take precedence over the GBTC.
5. Entering into the Agreement, the parties to the Agreement accept that their mutual contractual obligation shall be governed by the Czech legal order, in particular by

the Act. No. 89/2012 Coll., Civil Code, as amended (hereinafter referred to as the “CC”) and these GBTC.

6. If there is any contradiction between these GBTC and legal regulations laying down consumer protection rights, such provision of these GBTC, suggesting the legal status of the consumer, shall not be applicable to the legal relationship between the Seller and the Buyer.

**II.**


**Definition of Terms**

1. “**Seller**” is the trading company **Průmyslová keramika, Ltd.**
2. “**Buyer**” is a legal entity and/or natural person with whom the Seller enters into an Agreement.
3. “**Consumer**” is, in accordance with § 419 of the CC, any individual, who acts outside its business activity and/or independent exercise of its profession in concluding and performing the Agreement.
4. “**Agreement**” is a purchase agreement concluded according to the provision § 2079 et seq. of the CC and/or a framework purchase agreement concluded according to the provision § 1746 (2) of the CC between the Buyer and the Seller for the sale the Goods.
5. “**Goods**” means movable items – in particular refractory material and other products of the Seller – defined either individually or in quantity and type as referred to in the Agreement.

**III.**

**Performance of the Purchase Agreement**

1. The Seller shall deliver the Goods to the Buyer on the basis of a purchase order. Purchase orders shall be accepted by e-mail, regular mail and/or in person. The

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purchase order shall contain the following information, requested by the Seller:

- business name and seat of the Buyer and/or
- name, surname, address, if the Buyer is the Consumer,
- company ID and VAT No.,
- identification of requested Goods (name and specification of the item),
- place of collection,
- method of collection and transport; should the Seller be requested to organize transport, also the contact person of the Buyer (tel. number) to negotiate place and time of delivery and unloading,
- signature or verbal consent of a person authorized to order the Goods,
- any specific requirements to the Goods,
- any other information which the Buyer considers important,
- delivery date,
- e-mail address where the Buyer and/or the Seller requires purchase order confirmation.

#### IV.

##### Purchase Order Confirmation

1. The Seller shall confirm receipt of the purchase order by sending the confirmed purchase order, purchase agreement and/or another written notice of its receipt by e-mail to the address described in the purchase order.
2. Confirmed purchase orders shall be binding on both parties and cannot be unilaterally canceled.
3. If the Buyer does not confirm the purchase contract, such purchase contract is considered as an approved.

#### V.

##### Price

1. The price of the Goods shall be included in the purchase agreement. Unless expressly provided otherwise, prices shall not include transport and VAT.
2. The qualifying price shall be the agreed price, referred to in the purchase order confirmation and/or purchase agreement.

#### VI.


##### Payment Terms

1. Along with the ordered Goods, the Seller shall send an invoice to the Buyer for the purchase price of the Goods. The invoice shall contain formalities of the tax document according to the applicable legal regulations.
2. Unless otherwise agreed upon between the Seller and the Buyer, the Seller's receivables shall be due within 30 days from the delivery of the Goods.
3. Should the Buyer be in delay with the payment of any invoice or its part, the Seller shall be entitled to charge an interest on the late payment at the rate of 0.05 % from the outstanding amount for each day.
4. Should any payment of any receivables be delayed, the Seller shall be entitled to suspend delivery of other Goods to the Buyer until the full payment of all obligations of the Buyer, in which the Buyer shall be delayed towards the Seller. For that period, the Seller shall not be delayed in delivery of the Goods.
5. The payment shall be deemed to have been made when the payment is credited to the Seller's account and/or when the cash payment receipt is confirmed.

#### VII.

##### Delivery Terms

1. The Goods shall be delivered by its hand-over to the Buyer in the establishment of

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the Seller and/or transport to the place of destination defined by the Buyer. Risk of loss, damage and/or destruction of the Goods shall pass to the Buyer upon take-over of the Goods by the Buyer.

2. The Buyer shall confirm take-over of the Goods either on a delivery note and/or document of the carrier, which shall contain the following details:
  - legible name of the accepting person,
  - signature of the accepting person,
  - date of acceptance,
  - stamp of the Buyer and/or number of the identification card of the accepting person.
3. Unless the Buyer and the Seller agree otherwise, the delivery condition Incoterms 2020 FCA seat of the Seller shall be applicable.
4. If the Buyer fails to take-over the Goods within 10 days from the agreed date of delivery due to reasons attributable to the Buyer, the Seller shall be entitled to request storage costs at the rate of 0.05 % of the total price of the unaccepted Goods for each day.
5. If the Buyer does not take over the Goods within 90 days after the agreed delivery date because of reasons on his side, the Seller is entitled to send the Goods at the Buyer's expense.
6. After the take-over of the Goods, the Buyer shall be obliged to immediately check whether quantity, quality and workmanship of the Goods correspond to the concluded purchase agreement and claim any possible defects of the Goods with the Seller in writing without undue delay. The Seller shall not be liable for any defects of the Goods not claimed by the Buyer without undue delay, within 5 days at the latest; except for the Buyer could not detect such defects even if exercising due professional care.

## VIII.

### Packaging

1. The Seller shall use such Packaging for transport, handling and storage of the Goods that shall prevent damage to the delivered Goods if handled reasonably. Unless the Buyer describes a special method of Packaging in the purchase order, the Goods shall be packaged in the usual manner and the type of Packaging shall be therefore usual for the specific type of the product, specific quantity, and agreed transport mode.
2. During transport, handling and storage of the Goods, all Goods and shipping Packages shall be protected against water, excessive moisture and other biological and atmospheric conditions.

## IX.


### Functionality of the Goods

1. The Seller shall not be liable for suitability of the Goods for any other purpose than usual for the specific Goods.

## X.

### Retention of Title

1. The Buyer acknowledges that the right of ownership to the Goods shall be passed to the Buyer upon the full payment of the purchase price. The Buyer shall be obliged to handle the Goods under the retention title in a manner to prevent its depreciation, damage, destruction, theft and/or loss. The Buyer may not alienate, pledge or otherwise encumber the Goods by the rights of third parties for the period of retention of title. Retention of title shall not affect passing of risks according to Article VII.

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## XI.

### Quality of the Goods, its irregularities, tolerances, responsibility for defects and material responsibility

1. The agreed quality of the Goods is usually considered to be attributes of the products, which meet the requirements of a relevant technical regulation with a tolerance of max. 15 %. The relevant technical regulation is meant to be "Technical data sheet" of the particular product issued by the Seller.
2. The allowed quantity tolerance of pieces for shaped materials is considered:  
1-10 items – 1 item, 11-50 items – 3 items, more than 50 items – 5 %.
3. The allowed weight tolerance of non-shaped materials is considered:  
Less than 1 ton – 10 %, more than 1 ton – 5 %.
4. The allowed dimension tolerance of shaped materials is considered:  
For shapes smaller than 150 mm – 2 mm  
For shapes larger than 151 mm – 1 %
5. Without undue delay, the Buyer shall be obliged to notify the Seller of all defects of the Goods; however, within 5 days at the latest. A written notice of defective Goods shall contain description of the defect and, where appropriate, manifestation of the defect.
6. The Buyer is obliged to store the claimed Goods separately until finished complaint procedure. Processing and use of the claimed Goods are inadmissible without prior consent of the Seller.
7. Sampling and their subsequent testing must be carried out in accordance with the applicable Czech and European technical standards. The Seller has the right to determine, in which independent testers will be samples tested.
8. The Seller is not responsible for defects, malfunctions and damages caused by incorrect storage, processing and


application of the given product that occurred on the Buyer's side.

9. If the Seller is responsible for defects reported by the Buyer, the Seller shall be obliged to remedy these defects without undue delay and at its own cost. Defective parts of the Goods, which have been replaced, shall remain the property of the Seller.
10. If the Buyer notifies the Seller of defective Goods and no defective Goods, for which the Seller would be liable, are found, the Buyer shall compensate the Seller for all costs incurred in connection with detection of such unjustified claim.
11. The Seller shall be liable to the Buyer for any damage suffered by the Buyer as the consequence of breach or failure to fulfill the Seller's obligations under the Agreement and/or legal regulations only to the maximum amount of the purchase price of the Goods.

## XII.

### Delivery

1. Deliveries (transmission of documents), messages or any other materials to the other contracting party shall be delivered to the last known address of the other contracting party. When in doubt, the last address officially disclosed to the other contracting party, from which the correspondence is usually accepted and/or the address referred to in the Agreement (identification of the contracting parties) shall be deemed as the delivery address.
2. Both parties undertake to immediately notify the other contracting party, in writing, of any changes in the person of its responsible person and any other details important for mutual relationship.

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### XIII.

#### Withdrawal from the Agreement

1. The party to the Agreement may withdraw from the Agreement only in the event of a serious breach of the contractual obligations by the other contracting party.
2. As the serious breach of the contractual obligations shall be considered, in particular:
  - the Buyer's delay in the payment of the purchase price of the Goods for more than 60 calendar days from the maturity date of the purchase price.
3. The Seller may withdraw from the Agreement also in the event of significant deterioration of proprietary conditions of the Buyer. As the significant deterioration of proprietary conditions shall be deemed, in particular:
  - filing a petition for declaration of bankruptcy on the Buyer with the competent court,
  - refusal of the Seller's claim insurer to further insure against risks associated with further deliveries of the Goods to the Buyer.
4. Withdrawal from the Agreement shall become effective on the date of delivery of written notification of withdrawal from the Agreement to the other contracting party.

### XIV.

#### Force Majeure

1. Both parties are entitled to suspend fulfilment of their obligations under the Agreement for the time period for which circumstances excluding responsibility persist (hereinafter referred to as the "Force Majeure"). As Force Majeure shall be considered an obstacle which has occurred independently of the will of the liable party and preventing such party from fulfilment of its obligation unless it may be reasonably presumed that the

liable party would avert or overcome this obstacle or its consequences and, further, that the party could have predicted such obstacle at the time of the conclusion of the Agreement. As Force Majeure shall be considered, in particular: strike, epidemic, fire, natural disaster, mobilization, war, uprising, confiscation of the Goods, embargo, ban on foreign currency transfer, accidental regulation of the power supply, terrorist attack, etc.

2. Force Majeure excludes entitlement to enforcement of contractual sanctions against the party affected by the Force Majeure.
3. The party, pleading for the Force Majeure, shall notify the other party of this situation immediately in writing and shall take all reasonable measures to mitigate consequences of the failure to perform its contractual obligations.
4. If the Force Majeure still continues for the period of more than six months, both parties are entitled to withdraw from the Agreement.

### XV.

#### Personal Data Protection

1. In processing personal data of the Buyer and his employees, the Seller shall follow the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 General Data Protection Regulation ("GDPR") 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).

### XVI.

#### Governing Law

1. The Agreement and all contractual or non-contractual rights and obligations arising out of or in connection with the

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Agreement shall be governed and construed in accordance with the law of the Czech Republic regardless of any conflict of law rules. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) shall be explicitly excluded.

2. All disputes arising between the contracting parties from the Agreement, including relations not expressly regulated by the Agreement, shall be settled exclusively by the competent court according to the seat of the Seller.