

I. Validity of General Purchase Terms

These General Purchase Terms apply to all relations between ŠKO-ENERGO, s.r.o., registered office: Mladá Boleslav 1, Tř. Václava Klementa 869, post code: 293 01, business ID number: 616 75 938, entered in the Commercial Register maintained by the Municipal Court in Prague, section C, entry 38549 (hereinafter “ŠKO-ENERGO”) and a supplier arising based on or in connection with an order placed by ŠKO-ENERGO.

II. Conclusion of Contract

1. A contract is concluded between ŠKO-ENERGO and the supplier upon the delivery of the acceptance of an order that is issued by ŠKO-ENERGO (hereinafter the “**Order**”).
2. An Order can be issued also in electronic form (e.g. in PDF format) without the connection of a recognised electronic signature within the meaning of Act No. 297/2016 Coll., on trust services for electronic transactions, or a qualified electronic signature within the meaning of Regulation (EU) No 910/2014 of the European Parliament and of the Council, the eIDAS Regulation. Such Order is binding on ŠKO-ENERGO provided it contains, in machine type, the first name, surname and position of a representative of ŠKO-ENERGO, with connected information about the date of completion of such data, and provided it is sent to the supplier as an attachment to a data message by e-mail from the e-mail address objednavky@sko-energo.cz.
3. The supplier can confirm an Order also by e-mail, where the confirming data message must carry a recognised electronic signature within the meaning of Act No. 297/2016 Coll., on trust services for electronic transactions, or a qualified electronic signature within the meaning of Regulation (EU) No 910/2014 of the European Parliament and of the Council, i.e. the eIDAS Regulation, of a representative of the supplier and the Order must be attached, or the confirming data message must carry a simple electronic signature of a representative of the supplier and there must be an attachment with a scan of the Order bearing the signature of a representative of the supplier.
4. An expression of the supplier's will in relation to an Order that contains any modifications, reservations, restrictions or other changes is the rejection of the Order, and ŠKO-ENERGO is not obligated to respond to such expression of will and a contract is not concluded.
5. There is a prohibition against concluding a contract based on the delivery of the acceptance of an Order with a rider or deviation that does not significantly change the original conditions, unless ŠKO-ENERGO expressly approves such insignificant rider or deviation within 30 days of the delivery of such acceptance of an Order.
6. An Order is accepted and a contract concluded also if the Supplier starts any activity that is directed at compliance with an Order and ŠKO-ENERGO obtains information about this. If, in such case, the supplier subsequently delivers to the company the acceptance of an Order that contains any changes, reservations, restrictions or other changes, including riders or deviations that do not significantly change the original conditions, regard will not be had to such later acceptance of the Order and the contract is concluded in accordance with the content of the Order.
7. If the acceptance of an Order or information about the start of activities directed towards the performance of an Order is not delivered to ŠKO-ENERGO within 30 days of the issue of an Order, ŠKO-ENERGO is entitled to rescind the Order. The supplier does not have any claims against ŠKO-ENERGO for this reason.

III. Contents of Contract

1. The Order comprises the body of the contract. All annexes are parts of a contract, even if it is not expressly stated therein.
2. These General Purchase Terms of ŠKO-ENERGO are an annex to a contract.
3. The Volkswagen Group Requirements Regarding Sustainability in its Relationships with Business Partners (Code of Conduct for Business Partners), Requirements for Suppliers Concerning Compliance with Ethical Standards and Declaration on Social Rights and Industrial Relationships at Volkswagen are always annexed to a contract. If they are not handed over to the supplier during negotiations on the conclusion of a contract, it is obligated to familiarise itself with them at the website www.vwgroupsupply.com.
4. Documents to which an Order or other annex created by ŠKO-ENERGO refers, as well as other documents that are related to an Order and were handed over or disclosed to the supplier, are also an annex to the contract. The minutes of a meeting between ŠKO-ENERGO and the supplier, the ŠKO-ENERGO technical assignment, special delivery, technical or trial conditions and ŠKO-ENERGO specifications, instructions for packaging, marking and sending a delivery, a ŠKO-ENERGO request and an internal ŠKODA AUTO, a.s., regulation, for example, can be annexes to a contract.
5. In the event of a conflict, the content of an Order always has priority over the content of an annex to the contract.
6. In the event of a conflict between the content of annexes to a contract, an annex that, according to its content, is special or that has a later date of preparation has priority over an annex that, according to its content, is more general or that has an earlier date of preparation, unless provided otherwise therein.
7. If an annex to a contract is a document that the supplier created (for example an offer of the supplier), then in the case of a conflict with another annex to the contract that was created by ŠKO-ENERGO, itself or together with the supplier, such other annex has priority regardless of the aforementioned rule.

8. The use of the supplier's terms and conditions of business for a contract between ŠKO-ENERGO and the supplier, as well as for its conclusion, is prohibited. This also applies if an annex to the contract is a document that contains the supplier's business terms and conditions or part thereof or refers to them, or if it is a document that was handed over by the supplier to ŠKO-ENERGO after the conclusion of a contract in connection with its performance (e.g. delivery bills or invoices).

9. Unless agreed otherwise, it applies that no established commercial practice has priority over the provisions of a law that does not have compulsory effects.

IV. Confidentiality

1. The supplier must treat the contract and any business and technical information connected with carrying out the contract as a trade secret of ŠKO-ENERGO.

2. The business relationship with ŠKO-ENERGO can only be referred to in the supplier's advertisements if previously approved in writing by ŠKO-ENERGO.

3. The duty of confidentiality applies to information received regardless of whether a contract is concluded and even after a contract expires.

V. Technical Data and Production Means

1. ŠKO-ENERGO reserves proprietary and intellectual property rights to all graphical representations, drawings, calculations, technical descriptions and other data and models, samples, matrices, templates and tools (hereinafter "Technical Data and Production Means") that ŠKO-ENERGO makes available to the supplier. Technical Data and Production Means must not be made available to a third party without the prior express written consent of ŠKO-ENERGO. The same applies to products created using such Technical Data and Production Means; such products may only be supplied to ŠKO-ENERGO.

2. If, for whatever reason, a contract is not concluded or business not conducted, all Technical Data and Production Means must be returned to ŠKO-ENERGO.

3. These Technical Data and Production Means are to be used exclusively for carrying out the concluded contract and must be returned to ŠKO-ENERGO without prior request promptly after the contract expires.

4. Products that have been developed or perfected by ŠKO-ENERGO in cooperation with the supplier may only be supplied to ŠKO-ENERGO.

5. The supplier is obligated to review ŠKO-ENERGO's inquiry and information contained therein with regard to correctness, completeness, feasibility and compatibility, and to factor into the quotation all expenses that it may incur when completing the delivery. The supplier must point out any potential deficiencies in the quotation. By submitting the quotation, the supplier assumes the risk of fulfilling the contract for the offered price and for the purpose specified in ŠKO-ENERGO's inquiry.

6. If dual-use goods in the sense of USA regulations as well as in the sense of the Annex I to the Council Regulation EU 428/2009 are the subject of the delivery, the supplier must inform ŠKO-ENERGO about this and adhere to the Terms of Contract in Relation to Supply Chain Security and Proof of Origin, which are available at www.vwgroupsupply.com.

7. In connection with the performance for ŠKO-ENERGO, the supplier must submit all documents and certificates for further export within and outside the European Union (e.g. E-Mark, COP) to ŠKO-ENERGO on request.

VI. Subcontractors

1. Unless agreed otherwise in the contract and unless the nature of performance excludes it, the supplier is entitled to authorise subcontractors to fulfil the supplier's obligations. The supplier is fully liable to ŠKO-ENERGO for the fulfilment and any possible misconduct, as if the supplier fulfilled the obligations itself.

2. The supplier shall bind subcontractors to comply with the duties resulting for it from the contract with ŠKO-ENERGO in connection with the realisation of a delivery, as well as other duties in accordance with Article XVI of these terms. The supplier is obligated to prove it at the request of ŠKO-ENERGO.

3. At the request of ŠKO-ENERGO, the supplier will state whether it uses subcontractors without undue delay and will submit a full and correct list of them stipulating the extent and specifications of work they are authorised to perform. The supplier shall, of its own volition and without undue delay, inform ŠKO-ENERGO of every change and supplementation of such list, even during the course of a delivery's realisation. ŠKO-ENERGO reserves the right to reject individual subcontractors. In such case the supplier cannot use them to perform a delivery from such moment.

4. In the event of a breach of any duty of the supplier in accordance with this article, ŠKO-ENERGO is entitled to terminate the contract with immediate effect (notice without a notice term) or to withdraw from it.

VII. Performance

1. The place of performance is the ŠKO-ENERGO premises in Mladá Boleslav, Czech Republic, unless stated otherwise by ŠKO-ENERGO.
2. Performance must correspond exactly to the agreed terms and conditions, and must be completed by the agreed deadline.
3. ŠKO-ENERGO is not obligated to accept unagreed partial performance or performance exceeding the agreed quantity. Performance before the agreed date is possible only with written approval from ŠKO-ENERGO.
4. The supplier assumes the risk of a change of circumstances.

VIII. Payment Terms

1. The payment of the supplier's receivables is conditional on ŠKO-ENERGO having verifiable and formally correct tax documents.
2. The complete Order number and supplier number allocated by ŠKO-ENERGO must be stated in correspondence, delivery notes, tax documents (invoices), etc. to ensure the prompt processing of all relevant documents.
3. Unless agreed otherwise in writing, tax documents (invoices) of the supplier must be issued solely in electronic form in pdf, isdoc or isdocx machine-readable format and their content must be in accordance with the relevant generally binding legal regulations and any agreements between ŠKO-ENERGO and the supplier. Tax documents and annexes to them must be sent by the supplier by e-mail to the e-mail address faktury@sko-energo.cz. If a data (e-mail) message to which the tax document is attached contains any text, regardless of whether it was inserted automatically (e.g. a disclaimer), regard will not be had to it and it does not bring about any legal effects for any of the contracting parties.
4. The supplier shall demonstrably state to ŠKO-ENERGO the number of only one account for each currency in which business takes place and into which ŠKO-ENERGO is obligated to make payments for all business transactions realised in such currency. In the case of a supplier that is a value added tax (hereinafter "VAT") payer in accordance with the VAT Act, such account must be published by the domestic tax administrator in a manner enabling remote access. The statement of an account number on a tax or similar document is not regarded as a statement in accordance with this paragraph. ŠKO-ENERGO is not obligated to make payments into an account other than that stated. The supplier must demonstrably notify ŠKO-ENERGO of a change to such account a sufficient time in advance before an invoiced amount is due. At ŠKO-ENERGO's request, the supplier is obligated to prove that it is the owner of the account into which payments are to be made. Until the supplier states an account number in accordance with this paragraph or proves on request that it is its owner, ŠKO-ENERGO is entitled to withhold a payment and it is not in arrears with the payment of an invoiced amount.
5. In the event of defective performance, ŠKO-ENERGO has the right to withhold payment, even if it is claimed on other legal grounds, until the performance is rendered in full.
6. The supplier is not entitled to assign or pledge its receivables from ŠKO-ENERGO, unless otherwise agreed in writing.
7. ŠKO-ENERGO is entitled to unilaterally set-off due or undue receivables against any supplier's due or undue receivables from ŠKO-ENERGO.
8. ŠKO-ENERGO is entitled to pay the part of its liability to the supplier corresponding to the amount of domestic VAT in accordance with a tax document of the supplier directly into an account of the supplier's tax authority. The debt of ŠKO-ENERGO, s.r.o., to the supplier terminates to the extent of performance to the tax authority. ŠKO-ENERGO must inform the supplier about the payment.
9. At ŠKO-ENERGO's request, the supplier shall state the current balance of open accounting items arising from mutual business dealings that are contained in the supplier's accounts as of the decisive date and, if it is necessary, clarify and approve conflicts with the balance contained in ŠKO-ENERGO's accounts. ŠKO-ENERGO will usually send the supplier confirmation of the balance of open accounting items contained in the ŠKO-ENERGO accounts that is based solely on accounting records and does not have any significance for the making of any claims, no legal consequences can be derived from it and, in particular, it cannot be used as a recognition of a debt.

IX. Right of Lien and Setoff

ŠKO-ENERGO's entitlement to exercise its right of lien towards the supplier and ŠKO-ENERGO's right to set off mutual receivables may not be restricted.

X. Transport – Costs – Transfer of Risk

1. ŠKO-ENERGO reserves the right to determine the transport route and method of transport, as well as the means of transport and method of packaging.
2. The conditions of delivery are governed by the latest version of INCOTERMS as of the date the contract is concluded, unless agreed otherwise.

XI. Force Majeure

1. Circumstances arising after the conclusion of the contract as a result of extraordinary events that are unforeseeable and unavoidable by the contracting parties, such as natural disasters or war, shall be regarded as force majeure. The contracting party that is prevented from performing its contractual obligations as a consequence of force majeure must immediately inform the other contracting party in writing when such a circumstance arises and expires, presenting evidence that such circumstances had a decisive impact on the performance of contractual obligations. Defective material, delayed sub-deliveries and strikes cannot be considered as force majeure and therefore do not substantiate any right to extend a confirmed delivery term.
2. If force majeure prevents ŠKO-ENERGO from accepting the performance at the agreed location, this shall not be considered, for the duration of the obstacle, as a default on the part of ŠKO-ENERGO in receiving the delivery, and the supplier is not entitled to claim consideration or compensation for damage. For the duration of such obstacle, the supplier must store the goods at its own expense and risk.
3. If the unforeseen circumstances are expected to last longer than 6 months for performance with a deadline not exceeding 1 year or more than 9 months for the performance with a deadline exceeding 1 year, ŠKO-ENERGO has the right to withdraw from the contract. If this is the case, the supplier must return the payments made by ŠKO-ENERGO, plus the interest determined based on valid legal regulations on penalty interest.

XII. Liability and Warranty

1. Unless another agreement is reached regarding liability for improper and non-timely performance, the supplier accepts liability as per generally binding legal regulations.
2. In the case of a delay with the performance of the duty to perform in full, on time and without defects, the supplier is obligated to compensate ŠKO-ENERGO for all (direct and indirect) damage caused, costs arising and other detriment (for example losses and costs arising due to delay in production, the costs of ensuring replacement performance or the costs of correcting defects).
3. The warranty term for machinery is 24 months from commissioning without reservation which, depending on the circumstances, can be preceded by the duty to install and assemble it by the supplier. The warranty term for spare parts is 24 months from the date of their installation, but no more than 30 months from their delivery date. For other goods and services the warranty period is 24 months from their delivery.
4. If, despite a call from ŠKO-ENERGO, the supplier is late correcting a defect complained about, ŠKO-ENERGO is entitled to correct the defect or have it corrected at the supplier's expense, without prejudice to its rights under liability for defects and the warranty. If it is not possible or if the expected costs of correcting a defect exceed 30% of the price of an item without an increase by domestic VAT or a similar tax claimed abroad, customs duty or another similar fee billed by the supplier when making a delivery from abroad, ŠKO-ENERGO is entitled to withdraw from the contract. Minor defects or defects that need to be remedied immediately shall be corrected by ŠKO-ENERGO itself or it will have them corrected, with the supplier reimbursing ŠKO-ENERGO for the related expenses. Upon exchanges or repairs of parts, the warranty term is extended by the time needed for the exchange or repair.
5. This is without prejudice to ŠKO-ENERGO's other rights under defective performance in accordance with generally binding legal regulations. If ŠKO-ENERGO informs the supplier that it has chosen the repair of an item by the supplier, it is entitled to change such selection without the supplier's consent, until the supplier demonstrably starts making the repair. If ŠKO-ENERGO notifies the supplier that it has chosen a discount on the price, it is entitled to change this selection without the supplier's consent, until the supplier confirms the amount of the proposed discount.

XIII. Contractual Penalty

1. If the supplier does not duly perform its obligations in time, it shall pay ŠKO-ENERGO a contractual penalty of 0.5 % of the total price of performance for every week commenced, but no more than 5 % of the total price of performance; the price for such purposes also includes any domestic VAT billed by the supplier or similar tax applied abroad, customs duty or other similar charge billed by the supplier for performance in the case of a delivery from abroad. ŠKO-ENERGO has the right to set off a contractual penalty claim against a supplier's claim for payment for performance.
2. Paying a contractual penalty and penalty interest shall not affect ŠKO-ENERGO's entitlement to compensation for any greater damage. The obligation to pay the contractual penalty does not expire along with the contract.

XIV. Applicable Law and Jurisdiction

1. The contract, as well as legal relations arising from violating it, shall be governed by Czech law, whereas the application of Section 1726, Section 1728, Section 1729, Section 1740(3), Section 1751(2), Section 1757(2) and (3), Section 1765, Section 1799, Section 1800 and Section 1950 of Act No. 89/2012 Coll., the Civil Code, shall be excluded.
2. The application of international private law and the Convention on Contracts for the International Sale of Goods is excluded.

3. All disputes arising out of or in connection with the contract shall be resolved by the relevant Czech court having jurisdiction over the registered office of ŠKO-ENERGO. Regardless of this, however, in the case of a foreign supplier ŠKO-ENERGO has the right to submit an action to a foreign court that has jurisdiction over the foreign supplier's registered office, as it sees fit.

XV. Termination

ŠKO-ENERGO is entitled to terminate the contract with immediate effect (notice without a notice term) or withdraw from the contract in the following situations, in particular:

- a) The supplier has stopped making payments;
- b) There are insolvency or similar proceedings pending against the supplier;
- c) The supplier has gone into liquidation;
- d) One of supplier's activities that is necessary to fulfil the purpose of the contract has been terminated;
- e) The supplier has not carried out the subject of the contract in time or in the appropriate manner;
- f) The supplier has directly or indirectly provided or promised a bribe or another unfair advantage to a ŠKO-ENERGO employee or representative;
- g) The supplier has influenced or attempted to influence tender proceedings announced by ŠKO-ENERGO;
- h) The supplier has violated another obligation ensuing from documents that are binding on suppliers in accordance with these General Purchase Terms, e.g. in the area of environmental protection or ensuing from the Volkswagen Group Requirements Regarding Sustainability in its Relationships with Business Partners (Code of Conduct for Business Partners) or Declaration on Social Rights and Industrial Relationships at Volkswagen, and they fail to correct the breach even in an additionally provided period;
- i) The supplier has been sentenced for an offence in accordance with Act no. 418/2011 Coll., on the criminal liability of legal entities and proceedings against them, as amended;
- j) Any member of the supplier's statutory body or the natural person that is the entrepreneur has been sentenced for an offence, and the offence is related to the subject of their business activities.

XVI. Special Duties for Supplier

1. The supplier undertakes to comply with all legal regulations on environmental protection. The best document of the supplier's environmentally-friendly behaviour is an ISO 14001 or EMAS certificate.
2. The supplier undertakes to have an established quality management system. The best document for the introduction of a quality management system is a certificate in accordance with ISO 9001.
3. A supplier active at ŠKODA AUTO production sites is obligated to request from ŠKODA AUTO, a.s., familiarise itself with, accept and comply with the Requirements on Suppliers Operating in ŠKODA AUTO Production Sites Related to the Protection of the Environment and Working Environment and Occupational Health and Safety, the Binding Conditions and Regulations of Occupational Health and Safety for Business Partners Supplying Services in ŠKODA AUTO Production Plants, the Non-disclosure Obligation and other requirements resulting from documents created and applied by ŠKODA AUTO, a.s., and possibly published at www.vwgroupsupply.com.
4. If the supplier obtains access to natural persons' personal data, it is obligated to comply with valid regulations on protection of personal data and to process personal data solely for the purpose set in the contract (the set purpose). The supplier is obligated to ensure that its employees and subcontractors obtain access to personal data only to the necessary extent, and it is obligated to undertake in writing to comply with data protection rules and advise of the duty to comply with data protection regulations. On request, the supplier is obligated to prove this. The supplier will ensure personal data protection at a level corresponding to the latest appropriate technologies.