

General Terms and Conditions of REGUTEC a.s.

registered seat at no. 92, 664 66 NĚmčičky, Czech Republic, VAT ID: CZ05613345

These General Terms and Conditions (hereinafter referred to as "GTC") apply to all business relations between REGUTEC a.s. and its clients unless the parties in a particular case expressly agreed otherwise in writing.

1. CONCLUSION OF CONTRACT

1.1. The following GTC apply to all contracts, deliveries, services and offers. Deviations from these GTC shall only be effective only if, in the particular case, the parties agree expressly agreed in writing

1.2. We do hereby reject the client's General Terms and Conditions; they will not be recognized on any account even if on receipt we do not expressly reject them once again. These GTC shall alone apply. Different terms and conditions, or those proposed by the client, shall only apply instead of these GTC if we expressly confirm them in writing in the specific case.

1.3. We accept orders by email, ERP system (Enterprise Resource Planning) or mail. The order shall contain at least identification of the client, specification of the goods and/or services, amount and price. If the goods are demanded to be transferred by shipping, the client is obliged to notify this requirement in advance so the goods may be packaged accordingly. The contract is concluded by our order confirmation (email, ERP system or mail) containing the date of dispatch, amount and price, or just by dispatch of order to the client. If the price and/or date of dispatch confirmed by us differs from the price and/or date of dispatch specified in the order, client is entitled to revoke the order; the revocation shall be delivered to us in writing (email or mail) within 48 hours from the receipt of our confirmation. For the purposes of these GTC, the "Date of dispatch" shall mean the day when the goods are available and suitably packaged for the client at our factory when this date has been given to the client in advance, or, in case we are responsible for transport, the day of loading the goods onto a vehicle.

1.4. The order submitted to us via ERP system is considered binding for the client. We accept the order by filling the Date of dispatch into the ERP system, or by dispatch of order to the client. If the client disagrees with the Date of dispatch confirmed by us, client is entitled to revoke the order; the revocation shall be delivered to us in writing (email, ERP system or mail) within 48 hours from the receipt of our confirmation.

1.5. Unless otherwise agreed separately in writing, the contractual price of goods and/or services is specified in our price lists.

2. DISPATCH/TRANSPORT

2.1. The Date of dispatch confirmed by us is binding. Delays in delivery of less than 5 working days shall, insofar as we are responsible for them, be regarded as a minor breach of contract.

2.2. The dispatch of the goods shall be postponed in case of force majeure (such as armed conflicts, epidemic or pandemic disease, acts of God and natural hazards) and/or other unforeseen events for which we cannot be held liable (e.g. fire, interruption of production, strike, substantial shipping

disruptions) until the described event or its effects end. This also applies if the events referred to above affect our subcontractors or suppliers. In important cases we shall inform the client without undue delay that the circumstance has occurred and that the circumstance has passed. In the event of delays for which we are not liable, the client is not authorized to withdraw from the contract and/or to make any claims for compensation.

2.3. We are entitled to refuse to provide performance under an existing contract:

- a) if the client is in default in accepting or receiving the shipment or in making any payment relating to any contract with us;
- b) in the event of a significant deterioration in the client's financial situation, in particular if after the conclusion of the contract comes to light or the initiation of conciliation, insolvency and/or bankruptcy proceedings, default or suspension of payments; this does not apply if the client pays the full purchase price of the shipment in advance or if it is agreed otherwise by us agreed upon security for payment (e.g., a bank guarantee).

2.4. If the client requests a postponement of the shipment of the goods or if the shipment of the goods is delayed due to a reason, for which the client is responsible, we are entitled to charge a storage fee of 1 € + applicable VAT per day for each pallet of goods. Permissions to charge storage charges shall commence on the 30th day following the Date of dispatch of the goods. If the client does not take delivery of the goods within 30 days of the Date of dispatch, we shall be entitled to issue an advance invoice, which will be charged to the client at 100 % of the price agreed in the contract.

2.5. If the client does not take delivery of the goods within 90 days of the Date of dispatch, we shall be entitled to demand the client to pay a contractual penalty of up to 30 % of the agreed contract price. If the client fails to take delivery of goods within 6 months after Date of dispatch, we are entitled to demand the client to pay an additional contractual penalty, which, together with the penalty specified in the preceding sentence, shall be up to a maximum of 100 % of the agreed contract price.

2.6. Part-deliveries are permitted. In the case of an order that we will produce for more than 30 days, the client is required to take delivery of the partial parts of the order, and the shipment of these partial parts of the order will be informed in advance by us.

2.7. Unless otherwise agreed by both contractual parties in writing, delivery condition FCA (Regutec production facility, especially in Němčičky or Hrušovany u Brna, Czech Republic) Incoterms® 2020 shall apply.

3. WARRANTY

3.1. The client must inspect the goods within 14 working days of receipt of the goods in order to inspection (quality and quantity). In case of delayed inspection, the client loses any warranty rights for obvious defects (such as mould, fungus, mechanical damage, colour spots, etc.). All defects must be notified by the client within 7 working days of their discovery. Delayed notification shall be deemed to be loss of any rights under the defective performance.

3.2. We provide a warranty on new goods for 24 months from the date on which the goods are invoiced (advance payment in accordance with Article 2, paragraph 2.4. is sufficient), except for the so-called client products, as defined below, where client products are not warranted, unless the warranty is otherwise specified in the relevant technical data sheet. For client products shall be deemed to be

products that are as such specified (e.g., in the technical data sheet) and/or that meet one of the following four conditions: (i) they are made on a mould which is exclusive for a single client, (ii) we may not sell them to other persons, (iii) the product specification is supplied for the most part by the client, or (iv) we do not know the exact use of the product and/or the method of installation. In the event that a claim is found to be justified, the client may claim the costs of exercising the right of defective performance (assembly and disassembly) if a budget for such costs is approved and confirmed by us prior to the commencement of installation and dismantling work. In such a case, the client shall deliver all related invoices. Any claims for reimbursement of costs related to the exercise of the right of defective performance exceeding 100 % of the respective purchase price of the delivered goods are hereby expressly excluded and we are not obliged to pay them.

3.3. In addition to the so-called client products, the warranty according to the previous paragraph does not apply to:

- a) second-hand goods and goods of 2nd or 3rd quality;
- b) permissible deviations of goods defined by us (e.g., in the catalogue);
- c) defects in the goods resulting from:
 - i. incorrect storage, stowage, relaxation before installation, installation, assembly, repair of the goods by the client or a person authorised by the client or the use of the goods in violation of installation instructions or technical data sheets supplied with the goods;
 - ii. excessive loading of the goods beyond the declared parameters;
 - iii. unsuitable subsoil or sub-base for the installation of the goods;
 - iv. normal use of the goods, ageing of the material, unsuitable climatic conditions and exposure to UV radiation, where these defects may consist of surface wear and tear or discolouration of the goods;
 - v. improper use of chemical cleaning agents;
 - vi. biological factors (e.g., mould and fungi) arising from more than 14 working days from receipt of goods;
 - vii. mechanical damage to the goods by the client or a third party.

3.4. Any defects and shortfalls must be reported in writing (email or mail) to the seat of the company via the current model complaint protocol available at our website www.regutec.com. Verbal or telephone messages only serve as an advance information, and shall not be considered a valid notice of defect unless it is subsequently confirmed in writing in accordance with the previous sentence. No notice of defects shall take effect without the same-day transmission of digital photographs of the rejected goods, including a general photograph of the site, where the rejected goods are located. In addition, in order to be valid, the notification of defect must contain: (i) a detailed description of the defect, (ii) the number of the delivery note by which the claimed goods were delivered, (iii) the location of the goods, (iv) in the case of installation of the goods at a person other than the client, the identification of this person. In the case of claims made on the grounds of defective materials, we are entitled to receive a sample of the goods delivered (1 or 2 pieces) at our request, in particular goods already used by the client, without undue delay. The nature and extent of the sample must correspond to our instructions and the sample must be delivered to our premises at the client's expense. In addition, we must be allowed to inspect the delivered goods at any time (and expressly also at a person other than the client where the goods have been installed) and the client is obliged to allow such an inspection. If the client breaches any of these obligations, he shall lose any rights arising from defective

performance. If we are satisfied that the report of a defect is justified, we will reimburse the client for the costs incurred in sending samples of the defective goods delivered to us.

3.5. Regardless of the nature of the defect in the goods, we shall be entitled, at our sole discretion, to satisfy the client's defect right within a reasonable time by remedying the defect, by supplying new (replacement) goods within a reasonable time, by reducing the purchase price or by refunding the purchase price, whereby the method of settlement of the claim is determined by our company. Any other claims, including claims for costs related to warranty claims and/or any additional claims for indemnification for lost profits, are excluded, except for the costs related to warranty claim (assembly and dismantling) pursuant to paragraph 3.2. of this article. Defect claims are inapplicable, if the client eliminates asserted defects without our written approval himself or let them eliminated by any third party.

3.6. The range of colours, the individual colour hues and the colour formulation of our products are subject to periodical changes and adjustments. Where orders and deliveries are separated by a period of time, colour variations cannot be excluded. Such colour variations shall not constitute a defect. The colours of products supplied by us may change slightly or turn pale over time because of exposure to sunlight and to other climatic or environmental influences. Such changes and also the natural abrasion of the rubber granules and the other natural ageing characteristics do not constitute defects.

3.7. In case the client reports a defect which – as a result of our subsequent review – proves to be non-existent, we are entitled to be indemnified for all damages caused as a result.

3.8. In case a defect claim proves to be justified, we are entitled to decide how the faulty goods shall be dealt with (packaging and return, disposal of goods, etc.). The buyer is obliged to comply with our instructions and carry them out properly and provide us with all necessary documents proving the fulfilment of this obligation as well as the costs incurred in complying with this obligation. Otherwise, we shall not reimburse client these costs.

4. PAYMENT TERMS

4.1. Prices do not include VAT nor other applicable taxes, custom duties and other charges, if applicable, neither freight and packaging costs, unless agreed otherwise in writing.

4.2. We are entitled to issue a final or advance invoice for payment of the purchase price on the day of dispatch of the goods or the client's receipt of the goods at our premises, if the goods are not dispatched or received in due time for reasons attributable to the client, then on the 30th day from the Date of dispatch. Our invoices are due and payable within 14 days from the date of invoice without deductions, unless otherwise agreed in writing. If the client falls into arrears, we are entitled to claim statutory interest on arrears and also contractual penalty at the daily rate of 0,05 % of the outstanding amount. If we are able prove that the client's delay has caused us greater damage, we shall be entitled to claim compensation for such damage at the same time.

4.3. Notices of defects or claimed rights of retention do not entitle the client to refuse payment.

5. TRANSFER OF OWNERSHIP

5.1. The client acquires ownership of the goods at the moment of their receipt.

6. LIABILITY FOR DAMAGES

6.1. We only accept liability for damages which we caused through the deliberate or grossly negligent behaviour in the performance of our obligations. Our liability is limited to the indemnification for the positive damages. We do not accept liability for the indemnification of consequential damages, damages to property, lost profits as well as damages resulting from claims of third parties against the client. Our liability for light negligence is excluded. In case of any claim for damages, we are free to choose between compensation in kind (improvement or replacement) or cash payment. If we compensate the client for damages in money, then - except for damages caused by wilful breach of our obligations - our liability shall be limited to an amount of up to 5 % of the contractual price of the relevant delivery of the goods in the event that the damage is the result of an insignificant breach, and to an amount of a maximum of 15 % of the contractual price of the relevant delivery of goods if the damage is the result of a material breach of our obligations.

6.2. The limitation or exclusion of our liability for damages also applies to any potential personal liability of our co-workers, workers, employees or other persons involved in the performance of our duties.

7. WITHDRAWAL

7.1. Any contractual party is entitled to withdraw from the contract in case of substantial breach of the contract by the other contractual party.

7.2. As a substantial breach of the contract by the client shall be considered especially:

- a) delay in any payment exceeding 30 days after the due date;
- b) not taking delivery of goods within 30 days after the Date of dispatch;
- c) cessation of payments;
- d) initiation of insolvency and/or bankruptcy proceedings with the client.

If we withdraw from the contract because of a substantial breach by the client, the eventually agreed exclusivity agreements with the client shall not apply and we are entitled to dispose of goods originally intended exclusively for the client at our discretion, including its resale or liquidation.

8. OTHER ARRANGEMENTS

8.1. These GTC and all contracts between us and the client shall be governed, interpreted and enforced in accordance with the law of the Czech Republic. Besides provisions of the Act No. 89/2012 Coll., the Civil Code (hereinafter referred to as the "Civil Code") excluded from application implicitly by adopting specific different provisions in this GTC, following provisions of the Civil Code are hereby explicitly excluded from application: § 557 (contra proferentem), § 558 par. 2 (business practices), § 1793 (disproportionate shortening of rights), § 1799 and § 1800 (clauses in adhesion contracts), § 1805 par. 2 (ultra duplum interdiction). Client assumes the risk of change of circumstances according to § 1765 par. 2 of the Civil Code.

8.2. All disputes arising from the contract between us and the client and/or in connection with it shall be finally decided with the Arbitration Court attached to the Czech Chamber of Commerce and the Agricultural Chamber of the Czech Republic by one arbitrator appointed by the President of the Arbitration Court. The place of proceedings shall be in Brno, the language of proceedings shall be Czech.

8.3. Modifications of or amendments to the written contract only become part of the contract in case of adherence to the written form.

8.4. Safeguarding clause: If individual articles of agreement or GTC should be or become null or void, this shall not affect the validity of the remainder of these GTC.

8.5. These GTC are available in Czech and English language versions. The Czech language version is binding for all persons having its seat or permanent address within the territory of the Czech Republic or Slovakia. The English language version is binding for all other persons different from those expressly mentioned in the previous sentence.

Czech Republic, NĚMČIČKY, June 2022