



ZKL BEARINGS CZ, A.S.
MEMBER OF THE ZKL GROUP

GENERAL BUSINESS TERMS AND CONDITIONS

General Sales and Delivery Terms of ZKL Bearings CZ, akciová společnost with the registered office in Brno, Líšeňská 2828/45, 636 00 Brno, Company identification No. 250 88 637.

I

Introductory Provisions

1. These General Business Terms and Conditions (hereinafter referred to as the Business Terms), in accordance with the provision of Section 1751(1) of Act No. 89/2012 Coll., the Civil Code (hereinafter referred to as CC), provide for the mutual rights and obligations arisen in relation to or based on the Purchase Agreement (hereinafter referred to as the Agreement) concluded by and between the Supplier and another party (hereinafter referred to as the Customer). These Business Terms shall apply in cases when there is an obligation of sale, purchase, or supply of "ZKL" bearings and accessories between the Supplier and the Customer.
2. The Customer may be exclusively an entrepreneur pursuant to the provisions of Section 420 et seq. of CC, i.e., these Business Terms apply solely to cases when the Customer enters into the Agreement within its gainful activities. These Business Terms do not apply to cases when the Customer is a consumer pursuant to the provision of Section 419 of CC.
3. Provisions derogating from these Business Terms may be stipulated in the Agreement. Such derogating provisions stipulated in the Agreement prevail over the provisions of these Business Terms.
4. These Business Terms are a part of all contractual arrangements between the Supplier and the Customer unless a particular Agreements states otherwise.
5. These Business Terms determine a part of the Agreement content.

6. The Agreement and the Business Terms are in Czech, which is also decisive for their interpretation.

II

Agreement Conclusion

1. The Offer must clearly indicate that the party making the Offer intends to conclude the Agreement with the party the offer is made to. The Offer (purchase order) must include all the essential particulars, for a purchase agreement namely the subject matter, i.e., goods specification in terms of type and quantity, and the price of the requested goods. The Offer is irrevocable if it is expressly stated in the Offer. Even if the Offer is irrevocable, it can be cancelled, if the cancellation notification is delivered to the other party prior to or simultaneously with the Offer delivery. A revocable Offer may be cancelled solely if the cancellation notification is delivered to the other party before it sends its acceptance. If the Offer is rejected, it is cancelled upon the rejection effectiveness.
2. The Supplier accepts the Offer if the Supplier expresses its consent to the Customer in time. An expression of the Supplier's will, which includes amendments, reservations, restrictions, or other changes, is a rejection of the Offer and is considered to be as a new Offer. A reply with an amendment or a deviation, which does not change the terms of the Offer significantly, is an acceptance of the Offer, unless the Customer rejects such an Offer acceptance without undue delay.
3. No expression or inactivity are not an acceptance of the Offer. The Offer acceptance may be cancelled, if the cancellation is delivered to the Customer simultaneously with the acceptance at the latest. Even a late acceptance has the effects of a timely acceptance, unless the Customer rejects the late Offer acceptance without undue delay; however, within 5 days at the latest. If a period for the Offer acceptance is not stated in the Offer, the period is 5 calendar days.
4. The Agreement is concluded at the moment of the Offer acceptance effectiveness, and the contractual relationship is governed by these Business Terms, which the Customer is informed about in the Offer acceptance.

III

Price of Goods

1. The price of goods for the respective bearing types is set in the price list of the Seller and is binding unless a different price has been agreed by the parties in a framework agreement or another contractual arrangement. The price is set in CZK, EUR and USD, VAT exclusive. The Supplier reserves the right to change the price of the goods based on the development of CZK exchange rate to the foreign prices effective as of the goods delivery date.

2. VAT at the statutory rate will be added to the price of the goods.

IV

Payment Terms

1. The Supplier's invoices are due within 14 days of their issue date unless the Agreement states otherwise. The Supplier becomes entitled to issue an invoice upon the delivery performance pursuant to Art. V of these Business Terms. The invoice will be sent to the Customer by e-mail within 3 business days of the delivery performance.
2. In the event of default of payment of the amount invoiced for the goods delivery, the Supplier is entitled to charge a contractual late payment interest of 0.05% of the outstanding amount for each day of such default. In the event of default of payment for the invoiced goods delivery, the Supplier is entitled to suspend any performance under the Agreement or other contractual arrangements, in which case the Supplier is not in default of any obligations to the Customer.
3. The Supplier is entitled to offset the receivables from the Customer against any receivables of the Customer from the Supplier. The Customer is not entitled to offset its receivables from the Supplier.
4. If the Customer is in default of any payment for more than 30 days after its due date, the Supplier is entitled to withdraw from any non-performed agreements or request an advance payment.
5. The invoices shall meet the requirements of tax documents. The Customer is entitled to return an invoice to the Supplier for completion solely in the event of absence of a certain required item. In such a case, the invoice payment period starts on the day of the new corrected invoice delivery.

V

Delivery Terms, Takeover, Packaging

1. The goods delivery is governed by INCOTERMS 2010 with the application of EXW parity of the Supplier's registered office unless the Agreement states otherwise.
2. If the delivery is performed by a public transport service, the delivery to the Customer is completed by the goods handover to the Carrier.
3. The Supplier is obliged to inform the Customer about the goods delivery time 3 days in advance and to request information about the goods takeover. If the goods are not collected by the Customer on the announced delivery day, or if the transport details are not given to the Supplier, the goods are considered delivered on the date of their announced handover and the Supplier becomes entitled to issue an invoice for the delivery. At the same time, the Supplier

becomes entitled to charge a contractual penalty (storage fee) to the Customer amounting to 0.05% of the price of the uncollected goods for each day of their storage after the announced delivery date. If the goods are not collected for more than 20 days after the notification, the Supplier is entitled to withdraw from the Agreement.

4. The Customer is obliged to inspect the goods without undue delay, no later than 5 calendar days after the goods takeover, and upon the inspection; however, within 6 days of the goods delivery date at the latest, the Customer is entitled to claim warranty for any obvious defects or an incomplete delivery. If the deadline specified in the previous sentence is not observed, the entitlement arising from such defects ceases.
5. The Supplier is obliged to duly package the goods and secure them for transport under usual conditions, considering the need to minimize the negative impact on the environment; however, to ensure maximum goods protection during transport.
6. Together with the goods, the Customer will be submitted a delivery note with the exact description of the package content enabling goods takeover, including, but not limited to: Supplier's reference number, offer (purchase order – Agreement) number, number of the delivered item, quantity of delivered items, types of quantity units, unit price and type of transport. The copy for the Supplier will include the specification of a person who the goods were handed over to; the Carrier information will include the name of the driver, car number plate and the Carrier company.
7. On the Customer's request, the Supplier shall submit to the Customer: certificate of origin, CE certificate or declaration of conformity, material safety data sheets, certificates of testing, declaration on satisfaction of packaging conditions in accordance with Act No. 477/2001 Coll.

VI

Defects and Quality Warranty

1. The bearings are delivered in standard quality unless the parties agree otherwise.
2. The rights arisen from defective performance are governed by the provisions of Section 2099 et seq. of CC.
3. The Supplier gives a 24-month warranty for the goods quality, starting on the day of the delivery performance. By the quality warranty, the Supplier guarantees the bearing will be usable for the usual purpose in accordance with its specification for a certain time. The warranty does not apply to any defects caused by

incorrect manipulation, or if the goods have been used in a manner contradicting the instructions for use, damaged by the Customer or by a third party.

4. The Customer is obliged to claim warranty for any obvious defects established during the goods inspection immediately upon the goods takeover or inspection after takeover, otherwise the entitlement of the buyer arisen from the defects ceases. If the goods are taken over from the Carrier, the defects must be recorded in the delivery note and confirmed by the Carrier, otherwise the entitlement of the Customer arisen from the defects ceases. Any hidden defects must be claimed immediately after their establishment; however, no later than 5 days of their establishment. After the end of the above periods, the liability of the Supplier for defects ceases.
5. The defects must be claimed by the Customer in writing and the warranty claim must include a description of the defect, manner of manifestation, exact specification of the purchase order or delivery that included the claimed goods, and other significant facts. The period for resolving the warranty claim is 30 days and may be prolonged by the Supplier in justified cases.
6. If the defect of the claimed bearing requires an opinion of the manufacturer, the Customer is obliged to enable the inspection of the bearing on the site of its use, or to hand over the claimed bearing to the Supplier at the registered office of the Supplier on the Supplier's request.
7. If the Customer is in default of the price payment, the Supplier is not obliged to start the warranty claim process and the period for resolving the warranty claim starts on the date of the full delivery price payment.

VII

Other Provisions

1. Without a prior written consent of the Supplier, the Customer is not entitled to offset the performance price against any of its potential receivables.
2. The Agreement is terminated upon withdrawal. However, upon withdrawal or another termination of the Agreement, the following do not cease:
 - Entitlements to damages arisen from a breach of the Agreement.
 - Entitlements to contractual penalties or late payment interest if already applicable.
 - a cash receivable of the Supplier from the Customer under or in relation to the Agreement.
 - Provisions on governing law and dispute resolution

3. The parties stipulate that without a prior written consent of the Supplier, the Customer is not entitled to retain (i.e., to exercise a retention right) any part of the goods or any other items that the Customer has got hold of in relation to the Agreement performance.
4. The Seller is entitled to withdraw from the stipulated contract if the year-on-year industrial inflation exceeds 5% within Czech Republic.
5. The [Importer/Buyer] shall not directly or indirectly sell, export or re-export to the Russian Federation or for use in the Russian Federation any goods supplied under or in connection with this Agreement that fall within the scope of Article 12g of Council Regulation (EU) No. 833/2014.
6. The [Importer/Buyer] shall make every effort to ensure that the purpose of paragraph (5) is not frustrated by third parties further down the commercial chain, including any resellers.
7. The [Importer/Buyer] shall establish and maintain an adequate monitoring mechanism to detect any actions by third parties further down the commercial chain, including any resellers, that would frustrate the purpose of paragraph (5).
8. Any breach of paragraphs (5), (6), or (7) shall constitute a material breach of a substantial element of this contract, and the [Exporter/Seller] is entitled to seek appropriate remedies, including but not limited to:
 - i. termination of this agreement; and
 - ii. a penalty of 1.5% of the total value of this contract or the price of the exported goods, whichever is higher.
9. The [Importer/Buyer] shall promptly inform the [Exporter/Seller] of any issues in the implementation of paragraphs (5), (6), or (7), including any relevant activities by third parties that might frustrate the purpose of paragraph (5).
10. The [importer/buyer] shall make available to the [exporter/seller] the information related to the fulfillment of obligations under paragraphs (5), (6), and (7) within two weeks of a simple request for such information.

VIII

Dispute Resolution

1. The contractual relationships established by the Agreement are governed by Czech laws. Any matters not set forth in the Agreement or in these Business Terms shall be governed by CC, without limitation.

2. The parties have agreed on an international jurisdiction of Czech courts, and the parties to the Agreement expressly determine that the Municipal/Regional Court in Brno shall be the court having territorial jurisdiction over dispute resolution.

IX

Final Provisions

1. Any modifications of the Agreement and its terms and conditions may be made solely in the form of written, numbered amendments that must be duly signed by the persons authorized to act on behalf of the parties.
2. The respective versions of these Business Terms are published by the Supplier on its website, stating their version and publication date. Any reference to the current published version of the Business Terms shall be considered sufficient, understandable, and definite for the respective current version of these Business Terms to be applied to the contractual relationship in question.
3. The Supplier is entitled to amend the Business Terms anytime on its website. Any newly concluded agreements shall always be governed by the current version of the Business Terms. The new wording of the Business Terms shall not be applied to already concluded agreements if both parties express their consent with the above in writing.
4. This version of the Business Terms is effective as from 1st July 2024.



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