General Terms and Conditions of Purchase of Pars Komponenty s.r.o.

Buyer: Pars Komponenty s.r.o., Malá Strana 451, 742 13 Studénka, Butovice, RN 25821547

1. Purpose

1.1 The purpose of these General Terms and Conditions of Purchase (hereinafter referred to as "GTC") is to define the general terms and conditions for the purchase of goods and services (hereinafter collectively referred to as "Goods").

2. Subject

2.1 The subject of these GTC is the sale of Goods according to the concrete specifications of the Buyer stated in the written order or in the draft purchase contract, which are subsequently confirmed in writing by the Seller. The Seller undertakes to ensure the delivery of the ordered Goods to the Buyer according to the Buyer's requirements and according to these GTC.
All deliveries shall be made in the required quality according to the requirements and specifications of the Buyer and in accordance with legal regulations.

3. Conclusion of the Purchase Contract

3.1 The draft purchase contract is a written order or a draft purchase contract of the Buyer (hereinafter referred to as the "Order"). The Order must be made in writing in the form of ordinary letter mail, or by electronic mail (e-mail). The Purchase Contract will be concluded by confirming the Order by the Seller.

3.3 The Seller shall send a written response to the Order (acceptance, non-acceptance, reservations) to the Buyer in the form of a recorded delivery letter or by e-mail no later than five working days from receiving the Order.

4. Rights and Obligations of the Seller

4.1 The Seller undertakes to deliver the Goods to the Buyer according to the Buyer's requirements specified in the Order or its annexes. The Seller is acquainted with the fact that the delivered Goods are used by the Buyer mainly in components intended for means of public transport.

4.2 The Seller shall retain the marking of individual elements of the Buyer and use abbreviations and marking of the Buyer in mutual communication.

4.3 The Seller states that the Seller's deliveries meet the applicable legislative requirements and are not harmful to health. The Seller shall enclose the relevant valid certificates with the deliveries, if they are specified in the relevant Order. The Seller shall enclose an EC declaration of conformity, and a homologation certificate in case of a product subject to homologation, with the first delivery of the specified product pursuant to Act No. 22/1997 Coll. If the delivery is a chemical substance or mixture, the Seller shall also enclose technical and safety data sheets with regard to the protection of persons, the environment and the handling of hazardous substances with the first delivery. The delivery shall be considered incomplete if it does not contain all the required documents. The Seller is obliged to submit the above documents to the Buyer in the event of any change in the Goods throughout the business relationship with the Buyer.

4.4 Upon handover of the Goods, the Seller shall provide a delivery note, which will be confirmed by the Buyer.

4.5 The Seller is obliged to pack the Goods and secure them for transport in the usual way so that they are not damaged or destroyed. The cost of packaging is charged to the Buyer as part of the price of the product, unless otherwise agreed in writing.

4.6 The Seller is obliged to label each package with, among other things, the following information:
- product designation (according to the Order), packed quantity, the Order number of the customer, or the number of the complaints record form if the delivery is made on the basis of a complaint.

4.7 At the request of the Buyer, the Seller is obliged to present a valid insurance policy for insurance against damage caused by defective products. Failure to comply with this obligation means a material breach of the Contract.

4.8 The seller is obliged to continuously check the chain of the production cycle of the goods supplied (e.g. the database of manufacturers and suppliers) and report any changes in status, such as the termination of part of the production, a change in the nature of the goods or the complete cessation of production. The seller is obliged to continuously check the chain of the production cycle of the goods supplied (e.g. the database of manufacturers and suppliers) and report any changes in status, such as termination of part of the production, change in the nature of the goods or complete cessation of production. The Seller shall provide written notification to the Buyer no later than 20 working days after the change in the status of the goods. He shall also cooperate in proposing an alternative solution and keep records of the life cycle of the goods.

5. Rights and Obligations of the Buyer

5.1 The Buyer is entitled to perform a quality audit of the Seller by prior mutual agreement.

5.2 The Buyer may withdraw from the Purchase Contract without the threat of penalty and claim damages from the Seller in the event of a material breach of the Purchase Contract by the Seller, which is considered a breach of obligations under Articles 4 and 7 of these GTC.

6. Purchase Price

6.1 The purchase price for duly delivered Goods shall be paid upon receipt of the issued invoice with a due date of 60 days after delivery to the Buyer. In case of doubt, the invoice shall be deemed to have been delivered 3 days after it is sent. The invoice is paid on time if the amount is debited from the Buyer's account.

6.2 In the event of late payment for the delivered Goods, the Seller may charge the Buyer statutory interest on late payment stipulated by law.

6.3 The Seller undertakes that the invoice issued by the Seller shall contain the requisites of the tax document, the Order number and the number of the delivery note (for individual items). The Buyer has the right to return a document that does not contain any of the requisites without paying before the due date expires. The reason for the return must be indicated in the returned document. Depending on the nature of the incorrectness, the Seller is obliged to correct the document or make a new one. The original due date ceases with a justified return.

7. Place and Date of Delivery of Goods

7.1 The Seller undertakes to make the delivery according to the conditions of INCOTERMS 2020 (DAP).

7.2 If the delivery is accompanied by the payment of bank fees, each of the Contracting Parties shall pay the fees associated with its bank account.

7.3 The date of performance is determined by the Order. If the date of performance is not specified in the Order, the Seller is obliged to deliver the Goods to the Buyer within 14 days of confirmation of the Order.

7.4 In case of late delivery, the Buyer may charge the Seller a contractual penalty of 0.05% of the total price of the subject of performance without VAT, but at least 500 CZK for each day of delay, and this contractual penalty does not substitute the right to compensation. The contractual penalty is payable within 14 days from the demonstrable sending of its bill to the Seller.

7.5 The provisions of Section 2093 of Act No. 89/2012 Coll., the Civil Code, as amended, shall not be used for the concluded Contract.

8. Documents Relating to the Goods

8.1 The Seller is obliged to hand over the documents necessary for the use of the Goods to the Buyer, together with other documents specified in the Order.

8.2 Each delivery includes a type 3.1 inspection document according to ČSN EN 10204; in case of welded components, the Seller must provide a Declaration of Welded Joints, a VT report and certificates of used materials. With the delivered documents, the Seller confirms the quality of the product and the conformity of the product with the Order.

8.3 The Seller undertakes to deliver a dimensional record to the Buyer prepared according to the drawing documentation. In case of an agreed sampling procedure, the Seller undertakes to deliver the documentation according to the Buyer's request.

8.4 The Seller shall be obliged to issue an official statement to the Buyer for the Buyer's further production in the event of the fact referred to in clause 4.8 of the GTC.

9. Liability for Defective Goods

9.1 The Seller declares that the delivered Goods shall be delivered in the quantity, design and quality according to the agreed conditions and have the usual properties in order to be suitable for normal use.

9.2 The Goods are defective if not delivered properly packed, or if the quantity and quality differ from those according to the requirements of the Buyer.

9.3 If it is found during the receipt that the quantity of the delivered Goods does not correspond to the quantity ordered or specified in the delivery note, the Buyer shall have the right, at their own discretion, to choose one of the following options:
a) accept the difference, provided that the next delivery is adjusted accordingly;

b) refuse surplus products with the Seller's obligation to take such products away at the Seller's expense and risk;
c) request immediate dispatch of the missing Goods with a delivery date of up to 2 working days.

The right to performance according to variant a + b) shall be communicated to the Seller no later than 7 working days from the date of delivery of the Goods.

The right to performance according to variant c) shall be communicated to the Seller immediately after receipt of the Goods by telephone or e-mail.

In the event that the documents show discrepancies and incompleteness (defects), the Buyer is entitled to return the documents to the Seller at the Seller's expense or to invite the Seller to deliver the documents without defects. The Seller is obliged to deliver complete documents free of defects without undue delay, meaning no later than 2 working days from the return of defective documents or from the receipt of the Buyer's request.

9.4 Quality guarantee. The Seller is responsible for all defects that affect the Goods during this period, regardless of when these defects occurred. The Buyer is entitled to notify the Seller of these defects at any time during the warranty period. The quality guarantee of the Goods is set at 36 months from putting the product (Goods) in service, unless otherwise agreed between the Contracting Parties.

9.5 The delivery will be accepted in accordance with the internal regulations of the Buyer's quality management system. If it is found during the receipt that more than 5% of the delivered products are non-conforming, this is regarded as a serial defect. In such case, the entire delivery shall be returned to the Seller for re-sorting, unless re-sorting has been agreed at the Buyer's place.

9.6 The Buyer is obliged to file a complaint about obvious and hidden defects in writing (by letter or e-mail) to the Seller no later than within 15 working days of their discovery and to allow the Seller to assess the complaint. The Seller is obliged to communicate a specific proposal for resolving the complaint in writing (by letter or e-mail) within two working days of the defect being reported (unless otherwise agreed), including the planned deadlines for the implementation of specified remedial measures. The Seller is obliged to submit an 8D Report to the Buyer if the Buyer requires this document. In the event of a breach of the Seller's obligation to communicate the proposal for resolving the complaint within the given period, the Buyer is entitled to demand the Seller to pay a contractual penalty in the amount of 1,000 CZK for each day of delay.

9.7 If the Seller does not send the proposal to resolve the complaint within the specified period and if it is possible to eliminate the defect by the Buyer, the Buyer is entitled to eliminate the defect. The costs incurred shall be charged to the Seller.

9.8 If a defect in the Goods is discovered after the start of production, during production or after delivery to the end customer, the Buyer may demand compensation for damages, including any penalties applied by the customer to the Buyer, and including compensation for additional costs. In the event of a serial defect (see 9.5), the Seller is obliged to repair or replace all defective products, as well as such products which had no defect until then and, if necessary, modify the documentation. All costs associated with this are borne by the Seller. This applies in particular to the costs of disassembly and assembly, transport, elimination of all damage resulting from the elimination of a defect in the vehicle (including the necessary costs of participation of the Buyer and/or the end customer in the elimination of the defect). The warranty on Goods with a serial defect begins again from the moment of replacement of these products.

9.9 In the event of a defect in the Goods, the due date of the unpaid invoice may be suspended and extended until the claimed defect is completely resolved. Due date extended due to the resolution of complaints does not entitle the Seller to a contractual penalty or statutory interests on late payment due to non-payment of the purchase price. The Buyer shall be entitled to charge the Seller the cost of inspection and acceptance of the defective delivery in the event of a justified complaint.

9.10 The Seller undertakes to eliminate the claimed defects during the warranty period at the Seller's expense in the form of repair or replacement delivery within a maximum of 7 working days from the delivery of the complaint by the Buyer, unless otherwise agreed between the Contracting Parties in writing

If the Buyer makes a claim resulting from liability for defects and the Seller does not eliminate the defects in the Goods in the manner and within the period specified in the previous sentence or if the Seller informs the Buyer that the Seller will not eliminate the defects before the expiration of the said period, the Buyer may:

a) withdraw from the Purchase Contract; or
b) require the defect to be eliminated by the delivery of replacement Goods; or
c) demand the elimination of repairable defects;
d) demand a reasonable purchase price discount;
e) eliminate the defect by own means or through another person at the expense of the Seller.

9.11 Unless otherwise stipulated in these GTC, the Seller is obliged to compensate the Buyer for damage caused by a defective delivery or violation of statutory safety regulations or other legal reasons.

9.12 Claims resulting from defective Goods are governed by Section 2099 et seq. of Act No. 89/2012 Coll., the Civil Code, as amended.

10. Restraint of Competition

10.1 The Contracting Parties have agreed that if the subject of the Order is the development of Goods paid for by the Buyer, the Seller is not entitled to provide the delivered Goods to third parties neither during the validity of the contractual relationship of the Parties nor after its termination. If any third party is interested in the delivery of the same Goods, the Seller is obliged to refer this third party to the Buyer, who shall determine whether and under what conditions the delivery will take place. If the Seller makes a change in the design of the delivered subject of the Contract, the Seller is obliged to notify the Buyer of such a change and ask the Buyer for production approval.

10.2 If, as part of the development of the Goods, it will be necessary to make jigs or tools for future production, the owner of these components is the Party who paid for the components. The use of components for a third party is subject to the prior written consent of the Buyer.

10.3 The Contracting Parties hereby agree to treat any business transaction as confidential and to do so as part of a trade secret. The information obtained in the framework of the cooperation shall be considered confidential both during the validity of this Contract and after its termination, and the information shall not be provided or used for the benefit of third parties.

10.4 In the event that the Seller violates its obligations of confidentiality set out in this Article, the Buyer is entitled to demand payment of a contractual penalty of 500,000 CZK (five hundred thousand Czech crowns). The contractual penalty does not substitute the right of the entitled Party to damages.

10.5 The rights and obligations set out in these GTC pass to the legal successors of the Parties.

11. Dispute Resolution

11.1 The Contracting Parties have undertaken to settle all disputes that would arise from this Contract or in connection with it amicably; in case it is not possible to settle the dispute out of court, it shall be settled in court proceedings, where the court having the local jurisdiction will be the court designated according to the Buyer's registered office.

12. Final Provisions

12.1 All and any changes to these GTC and amendments thereto may only be made in writing.

12.2 Legal relationships not regulated by these GTC are governed by the relevant provisions of Act No. 89/2012 Coll., the Civil Code, as amended.

12.3 Written arrangements agreed between the Contracting Parties in the Purchase Contract take precedence over the GTC.

12.4 The Contracting Parties declare that they are acquainted with the GTC and are obliged to follow them.

In Studénka on 21.07.2025

on behalf of the Buyer: .....
Ladislav Mazanec, CEO