

General Terms and Conditions of Purchase

1. GENERAL

- 1.1 The following terms and conditions of purchase apply to all orders of the Company CARBORUNDUM ELECTRITE a.s., with its registered office at Tovární 363, Benátky nad Jizerou I, 294 71 Benátky nad Jizerou, IČO: 45148295, registered at the Municipal Court in Prague under B 1558 (hereinafter referred to as "Carborundum"), unless expressly stated otherwise in the order. The application of the general terms and conditions of the supplier of any kind, in particular the provisions indicated in the supplier's offer or in the supplier's order confirmation, is in any case excluded, even if they do not conflict with these conditions of purchase and even if they have not been expressly disputed, unless Carborundum has expressly acknowledged them in writing.
- 1.2 Negotiations on performance or silence on the part of Carborundum do not lead to the acceptance of the supplier's general terms and conditions. Other or ancillary agreements or changes to the terms and conditions of purchase may only be agreed in writing and only for the relevant individual case.
- 1.3 Should individual provisions of these Terms of Purchase be invalid or unenforceable, the remaining provisions shall remain in full force and effect. The invalid or unenforceable provision will be replaced by the effective and enforceable provision that most closely approximates the meaning and economic purpose of the intended provision at the time of the conclusion of the contract.
- 1.4 The Supplier acknowledges that employees of Carborundum or third parties are not entitled to make changes deviating from the contractually agreed principal performance obligations (such as supply agreements, quality or quantity obligations).
- 1.5 Carborundum reserves the right to change the Terms of Purchase. The purchase terms in the current version apply from Publication on the website www.carborundum.cz
- 1.6 Carborundum is entitled at any time to correct obvious errors such as spelling and calculation errors in orders, acceptance of offers and similar documents.

2. OFFERS AND ORDERS

- 2.1 All offers submitted to Carborundum are binding on the Supplier for a period of at least four (4) weeks from receipt by Carborundum and do not give rise to a claim for remuneration or reimbursement of costs, regardless of the services provided by the Supplier for the preparation of the Offer and the submission of the Offer.
- 2.2 The order must be placed in writing (e.g. by e-mail) or by electronic data interchange (EDI) and must contain an individual order number from Carborundum. Our orders are valid even without a signature if they are issued on Carborundum forms and the e-mail comes from a Carborundum employee, using the domain name of the parent company, i.e. @tyrolit.com.
- 2.3 The Supplier is obliged to confirm the order via EDI or e-mail within five (5) working days. After this period, Carborundum is entitled to cancel the contract. If the supplier objects to the details of the order, Carborundum is entitled to cancel the order in whole or in part within twenty-one (21) calendar days of notification.
- 2.4 If Carborundum cannot accept the delivery and/or service due to force majeure, such as strikes, lockouts, fires and natural disasters and the like, Carborundum is entitled to withdraw from the order/order by means of a written statement to the supplier without any claims to the supplier.

3. DELIVERY, ACCEPTANCE, ACCEPTANCE

- 3.1 Unless otherwise specified in Carborundum's order in individual cases, deliveries will be made to the agreed place ("DAP" Incoterms 2020). The agreed delivery and performance dates are binding for the supplier. The delivery date or delivery period specified in the order refers to the delivery of the shipment to the delivery address indicated by Carborundum. Carborundum is not obliged to take over the goods before the agreed delivery date or the beginning of the agreed delivery period. Unless expressly agreed otherwise in writing, the supplier is not entitled to partial and preliminary deliveries. In the case of early delivery, payment periods begin to run only on the agreed delivery date or at the beginning of the delivery period.
- 3.2 The Supplier must immediately inform Carborundum in writing of any foreseeable delay in delivery, stating the reasons and the probable time of the delay. In the event of late deliveries, Carborundum is entitled to withdraw from the contract or insist on delivery, even if the supplier has fulfilled his notification obligation. In this case, Carborundum is entitled to withdraw from the contract also with regard to any part of the delivery. In addition, Carborundum is entitled to claim compensation for delays in the amount of 0.5% of the total value of the contract per day of delay or part thereof, but not more than 10% of the total value of the contract. The assertion of further damages as well as other claims remains unaffected.
- 3.3 Acceptance of goods is possible on working days of the Czech Republic from 6.00 to 14.30. Acceptance of goods in the terms 6.7. - 20.7. and 23.12 - 31.12. of each calendar year is possible only after prior written agreement.
- 3.4 The delivery must be accompanied by proper accompanying documents (excluding invoices, see 7.1) on which the full order number, the name of the supplier, the description of the goods and the quantity must be visible. Without the appropriate accompanying documents, the delivery will not be considered to be in accordance with the order and therefore will not be accepted, but will either be stored or returned at our discretion at the risk and expense of the supplier.
- 3.5 The delivery must be properly packed and sent to Carborundum in accordance with any agreed transport and packaging regulations. Damage caused by failure to follow these instructions shall be borne by the supplier. The supplier is obliged to provide the goods with all instructions for storage and operation without being asked to do so, and to expressly point out other necessary measures in connection with the proper handling and storage of the delivered goods.
- 3.6 The legally effective acceptance of the delivery and the transfer of risk will only take place after inspection and approval by the entry inspection of the goods by Carborundum. Prior confirmation of receipt of delivery or payment of the invoice does not constitute acceptance by Carborundum, so in this case a later refusal of delivery is reserved.
- 3.7 The supplier may not transfer in whole or in part the order placed to him to third parties without the written consent of Carborundum.
- 3.8 Changing raw material suppliers for the purpose of fulfilling orders, changing quality-related processes and modifying and relocating technological or production equipment requires the express written consent of Carborundum. In the event of non-compliance with this provision, Carborundum is not obliged to take over the delivery or service and the consequences of non-performance of the delivery arise. The supplier is also liable for all direct and indirect damages.
- 3.9 If the subject of delivery is a service on the premises of Carborundum, and waste is generated during its performance, the supplier becomes the waste producer according to applicable legislation, unless otherwise stated otherwise in Carborundum's order in individual cases.

4. MACHINERY, EQUIPMENT AND SPARE PARTS

- 4.1 The supplier of machinery and equipment is obliged to comply with the state of technology, applicable safety regulations and technical specifications agreed in the order for its supplies. Furthermore, it undertakes to deliver the technical documentation at the time of delivery on the basis of the currently valid Like Regulations EU and applicable laws of the Czech Republic. Detailed information on the guidelines and scope of documents required by Carborundum for new and used machines is attached to these Terms and Conditions of Purchase.
- 4.2 The Supplier guarantees the availability of all spare parts required for the delivery/service function for a period of ten (10) years from delivery. If the Supplier is no longer able to fulfil this obligation, it must inform Carborundum in writing within two (2) weeks. If the supplier breaches the obligation to ensure the availability of spare parts, Carborundum is entitled to reproduce the part that is no longer available. The supplier is obliged to provide support to Carborundum in every respect, for example by providing production drawings and procuring the necessary property rights.

5. PROVISION OF SERVICES

- 5.1 The Supplier guarantees that it will provide the services/supplies commissioned by Carborundum, as well as all ancillary services to the best of its knowledge and belief, the best industry standards and the latest technology.

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6. PRICES

- 6.1 Agreed prices are fixed prices including packaging. Fluctuations in exchange rates and currencies as well as bank charges are borne by the supplier.
- 6.2 If prices and conditions are not already specified in the order, but the supplier states them later, they only become valid if they are expressly accepted by Carborundum in writing.
- 6.3 Transport, insurance and other costs incurred in connection with the delivery of the goods to the place of delivery specified by Carborundum must be agreed in writing.

7. INVOICE AND PAYMENT

- 7.1 Invoices must comply with the applicable sales and VAT requirements and must always include the order number and a detailed description of the deliveries provided. Invoices are individually as a PDF file to the following email address: Invoice-CZ0200@TYROLIT.com
Invoices for work or assembly must be accompanied by timesheets certified by Carborundum. Only invoices that meet the above criteria are deemed to have been issued in accordance with the contract, will be accepted by Carborundum and entitle Carborundum to the payment of the invoiced amount.
- 7.2 Unless otherwise agreed, payment for goods and services received without objection will be made, at Carborundum's discretion, either within 14 days of receipt of the invoice and the goods by Carborundum with a 3% discount, or within 90 days of receipt of the invoice and the goods by Carborundum. However, any payment does not constitute recognition of the correctness of the delivery and therefore has no effect on Carborundum's claims in connection with the performance of the contract, such as claims for damages, right of withdrawal, etc.
- 7.3 Under no circumstances shall the Supplier be entitled to set off its liabilities towards Carborundum against claims against Carborundum.
- 7.4 In the case of advance payments, the supplier must provide the corresponding principal (e.g. bank guarantee) upon request. Deposits made by Carborundum are deemed to have been agreed at constant value and therefore always represent an aliquot payment of the total value of the order in relation to the date of the order.
- 7.5 The assignment of the supplier's claims against Carborundum without the express written consent of Carborundum is not permitted.
- 7.6 If there is a delay in payment for any reason, default interest of 5% p.a. from the 90th day after receipt of the invoice and the goods is considered to have been agreed. The assertion of additional payment entitlements for this reason shall be excluded.

8. PRODUCTION DOCUMENTATION, DRAWINGS, MOULDS, TOOLS

- 8.1 Samples, models, drawings, forms, tools, plans and other aids remain the intellectual and material property of Carborundum, which Carborundum may freely dispose of. These funds may only be used by the supplier to execute Carborundum's orders and may not be made available or transferred to external or third parties. The supplier must take all conceivable measures to comply with these confidentiality rules.
- 8.2 The samples, models, drawings, moulds, tools, plans and other aids that Carborundum creates or has created in connection with a delivery order placed by Carborundum are also the property of Carborundum. All documentation and processing of the goods is carried out by the supplier on behalf of Carborundum and he hereby declares that he holds such documents and information for Carborundum until they are handed over to Carborundum. The supplier is obliged to hand over to Carborundum the documents necessary to prove ownership to third parties without being asked.
- 8.3 Unless otherwise agreed in writing, all samples, models, drawings, moulds, tools, plans and other aids owned by Carborundum shall be returned to Carborundum at the expense and risk of the supplier upon completion of the relevant delivery or service. In the event of the opening of insolvency proceedings (bankruptcy, composition, etc.) or in the event of the rejection of a bankruptcy petition due to a lack of assets covering the costs, the Supplier is obliged to inform Carborundum within five (5) working days and take all necessary and useful measures to enable Carborundum to exercise its rights in these proceedings.

9. WARRANTY

- 9.1 The supplier assumes full responsibility for the execution of the delivery in accordance with the order and compliance with all relevant legal provisions and standard regulations, in particular with regard to the regulations in force in the European Union and the Czech Republic. In the same manner, he shall be liable for goods and components or services which he has supplied or processed and for goods, components or services which he has not produced himself. The deliveries and services must have the usually envisaged and agreed characteristics, as well as those contained in the instructions for use, explanatory notes, brochures, advertising packages and other publicly accessible information media or information media accessible to Carborundum and must be capable of being used and used in accordance with the nature of the transaction and the contract concluded.
- 9.2 The warranty period is two years. It begins with the receipt of the goods in accordance with point 3.6 of these Terms and Conditions of Purchase. However, in the case of goods that are further processed by Carborundum, the warranty period begins to run only after their use during processing. If Carborundum does not exercise the right of withdrawal in the event of an unapproved change of raw material supplier, the warranty period is extended by 12 months. Defects in deliveries and services at the time of delivery are deemed to arise within the warranty period. Carborundum shall notify the supplier in writing or orally of defects in deliveries that have not been claimed at the time of delivery, but no later than within the agreed warranty period.
- 9.3 In the event of defects, regardless of their nature and extent, the Company is Carborundum entitled, at its own discretion, to require the Supplier to replace, rework, reduce the price or - in the case of removable defects - remove defects. All costs associated with the rectification, subsequent delivery or return of defective goods, as well as the associated risks, shall be borne by the supplier. In the case of a request for remedy, a maximum period of four (4) weeks is considered reasonable, unless Carborundum expressly notifies otherwise in writing. If the deadline set for the removal of the defect is not met, Carborundum is entitled to change or reduce the price at its discretion. In urgent cases and if the supplier does not remedy the defects, Carborundum is entitled, without setting a deadline, to remedy the defects at the expense of the supplier (facultative compensation).
- 9.4 The supplier is liable for consequential damages resulting from a defect in the delivery.
- 9.5 The supplier shall also be responsible for the completeness and correctness of the information or statements contained in the certificates or test certificates. The supplier confirms that he is aware of the relevant standards of Carborundum and all relevant laws and regulations in connection with the delivery or service.
- 9.6 Upon request, the supplier must assign to Carborundum its existing warranty claims against its suppliers if the defects in the deliveries are based on such defective subcontracting. Warranty claims against the supplier remain unaffected.

10. LIABILITY

- 10.1 The supplier is responsible for all damages incurred and their consequences.
- 10.2 The supplier is aware that the inspection of raw materials before processing at Carborundum is only possible to a limited extent and that it is possible to determine whether error-free raw materials, auxiliary materials, etc. are only available when inspecting finished products.
- 10.3 Therefore, if there is a decrease in quality during production due to a defect in the quality of the delivered goods, Carborundum is entitled, at its own discretion, to take one of the following measures, regardless of whether the supplier is at fault for the defect or not:
 - (a) either deduct from the invoiced service the amounts which Carborundum grants as an additional discount against defective goods in the case of sales of inferior quality;
 - (b) or to return the raw materials or finished products to the supplier at the supplier's expense, whereby the supplier undertakes to reimburse the production costs incurred by Carborundum plus the loss of profits;
 - (c) or if the defect becomes apparent during production within the framework of random checks, either continue production and use the goods as poor quality against compensation for the difference by the supplier or interrupt production and charge the supplier for the loss of production, shutdowns including lost profits.
- 10.4 If Carborundum is unable to fulfil its contractual obligations due to insufficient delivery or performance by the supplier, the supplier shall indemnify it and release it from liability in this regard.

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- 10.5 If, despite random checks prior to delivery, Carborundum does not detect defects, but draws their attention to complaints by Carborundum's customers and Carborundum is obliged to indemnify the customer as a result, the supplier is obliged to indemnify Carborundum and protect Carborundum from the consequences of complaints.
- 10.6 At Carborundum's request, upon receipt of the order, the supplier must provide proof of a sufficient amount of liability insurance corresponding to the scope and possible consequences of liability. If the supplier does not provide proof, Carborundum is entitled to withdraw from the order in whole or in part without setting an additional deadline.
- 11. INDUSTRIAL PROPERTY RIGHTS**
- 11.1 All rights to Carborundum materials and other information transmitted by and related to Carborundum suppliers, including designs, copyrights, trademarks, patents, design patents, utility models, etc., as well as the right to register the corresponding industrial property rights to these materials or to specific work results created as part of an order from Carborundum, are and will remain the exclusive property of Carborundum.
- 11.2 The Supplier is responsible for the provision of the delivery/service free of defects of ownership. The supplier guarantees that both the provision of the services and the free use of the delivery/service provided to Carborundum do not abuse or infringe the rights of third parties. The supplier also guarantees that there are no rights of third parties to the delivery/service provided, unless otherwise agreed in advance between Carborundum and the supplier.
- 11.3 The Supplier shall indemnify and hold Carborundum harmless from and against all patent and other disputes arising in connection with its delivery, in particular in connection with industrial property rights, and shall reimburse Carborundum for all costs, expenses and other consequences resulting from the limited use of the delivered goods, whether defective or not.
- 12. COMPLIANCE, REACH, CLP AND ROHS**
- 12.1 Throughout the entire business relationship with Carborundum, the supplier is obliged to strictly adhere to the TYROLIT Code of Conduct for Suppliers. This Code of Conduct is available at www.TYROLIT.at/special-pages/footermenu/lieferanteninformation.html.
- 12.2 The Supplier is responsible for ensuring that the goods comply with the provisions of Regulation (EC) No. 1907/2006 ("REACH Regulation") on the Registration, Evaluation, Authorisation and Restriction of Chemicals, as amended. In accordance with the provisions of REACH, the supplier will provide Carborundum with safety data sheets and other necessary information without being asked. In particular, restrictions and/or bans on substances on the Candidate List (SVHC) must be respected. Suppliers of articles containing substances on the Candidate List must provide (or lower if so specified in REACH) sufficient information for safe use of the article (obligation to provide information) for eventual inclusion in Annex XIV in a concentration higher than 0,1 % weight by weight. The list is constantly growing and is available on the website of the European Chemicals Agency (www.echa.europa.eu).
- 12.3 Chemical raw materials comply with Regulation (EC) No 1272/2008 (CLP/EU-GHS) as amended from time to time and are labelled on the packaging.
- 12.4 In addition, the supplier is responsible for ensuring that the goods to be delivered or parts thereof comply without restriction with the requirements of EU Directive 2011/65/EU ("RoHS"), as amended, as well as the national regulations adopted within the European Union pursuant to this Directive, and are suitable for production processes in accordance with the RoHS Directive.
- 12.5 The Supplier shall indemnify Carborundum against any liability in connection with the Supplier's failure to comply with the above regulations or indemnify Carborundum for damages incurred by Carborundum as a result of or in connection with the Supplier's non-compliance.
- 13. ADVERTISING**
- 13.1 The Supplier undertakes not to inform third parties that he is delivering to Carborundum without the prior written consent of Carborundum, in particular not to mention Carborundum in the reference list or to refer to the business relationship with Carborundum in your advertising. The supplier is obliged to pay a contractual penalty of € 10,000.00 in the event of a violation. Any claims for damages or the use of other remedies remain unaffected by the payment of the fine.
- 14. APPLICABLE PLACE OF PERFORMANCE LEGAL AND JURISDICTION**
- 14.1 The place of performance is the place of delivery or the delivery address specified in the order, unless otherwise stated, then the place of delivery is the registered office of Carborundum in Benátky nad Jizerou (CZ).
- 14.2 Only Czech commercial law applies. International conflict-of-law rules are excluded from application. The United Nations Convention on Contracts for the International Sale of Goods (UNCISG) does not apply.
- 14.3 Jurisdiction for all disputes relating to the relationship between the supplier and any disputes arising out of or in connection with these Terms and Conditions of Purchase shall be subject to subject-matter jurisdiction for the district of Mladá Boleslav. For suppliers abroad can Carborundum at your discretion to litigate with the supplier before a court with territorial jurisdiction abroad.