



GENERAL PURCHASE TERMS DOD-26

I. General provisions

1. The provisions of these General Purchase Terms (hereinafter referred to as the “**Terms**”) form part of purchase contracts or framework purchase contracts concluded between the Seller and the Purchaser (hereinafter referred to as the “**contract**” or “**contracts**”). A contract is also concluded by the Seller’s acceptance of an order in any form, including by delivery of the goods. However, if a contract concluded on the basis of an order meets the conditions for publication in the Register of Contracts, both the order and its acceptance shall be made in writing or in another manner enabling publication of the contract via the Register of Contracts. The provisions of the contract itself shall prevail over the provisions of these Terms.
2. If the Contracting Parties have entered into a long-term (framework) contract, any order under this contract shall be deemed an order for partial performance, rather than a proposal to conclude a new (framework) contract.
3. If a written contract has been concluded in relation to the subject-matter of the order, the provisions of this contract shall supersede all prior arrangements between the Contracting Parties, including the information stated in the order, to the extent that they conflict with this contract, unless specified otherwise below.

II. Certain provisions on the subject-matter of the obligation

1. The type, quantity, delivery periods and price of the goods (the subject-matter of the purchase) are specified in the contract (order).
2. The Seller hereby declares that the goods do not contain asbestos in any form. Should this declaration prove to be false, the Seller shall, at their own cost, indemnify the Purchaser and satisfy and settle any and all claims for compensation for harm (including actual damage, lost profit and any costs) incurred by the Purchaser or for which the Purchaser might be held liable, including as a result of claims raised by third parties.
3. The ownership title and the risk of damage to the goods shall pass to the Purchaser upon the actual (physical) taking over of the goods by the Purchaser (or by a carrier arranged by the Purchaser) at the place of performance.

III. Delivery and warranty terms, rights arising from defects, compensation for damage and contractual penalties

1. Upon handing over the goods to the Purchaser, the Seller provides the Purchaser with a warranty of quality and undertakes that, for a period of 36 months from their taking over, the goods handed over will be fit for use for the usual purpose and will retain their usual characteristics. Handing over of the goods shall mean the moment referred to in Article II paragraph 3 of these Terms. At the same time, the Seller warrants that the goods handed over, including their packaging, comply with the applicable regulations on the protection of the environment, life, health and occupational safety.
2. The delivery of goods shall also include inspection reports and protocols, prescribed tests, as-built documentation, accompanying documentation containing the manufacturer’s



instructions for assembly, handling, operation, repairs and maintenance, and any other documents necessary for commissioning and proper use of the goods.

3. Within 10 working days of taking over the goods, the Purchaser shall inspect them and check whether their characteristics and quantity comply with the contract. If the place of performance is not one of the Purchaser's establishments, the period shall start to run from the time the goods have been transported to their destination, i.e. to the relevant establishment of the Purchaser. The Purchaser shall also be entitled to request an inspection of the goods before taking them over. Should the goods not meet the agreed conditions, the Purchaser shall be entitled to refuse to take them over.
4. Any claims concerning the quantity of the goods (including rejection of excess quantity) or other apparent defects shall be lodged by the Purchaser no later than 10 working days after the inspection referred to in paragraph 3 of this Article. The Purchaser may lodge a claim concerning the quality and workmanship and other hidden defects at any time within two years of handing over the goods to the Purchaser or during the warranty period, whichever is longer. If the law provides for a longer period, such longer period shall apply. The Purchaser may, at their discretion, request the removal of the defect or the delivery of replacement goods (both at the expense of the Seller) or a reduction of the purchase price. If the defective performance constitutes a material breach of the contract, the Purchaser shall also be entitled to withdraw from the contract. The Purchaser shall notify the Seller of the chosen remedy within 10 working days of notifying the defects.
5. Should any defect or its manifestation occur repeatedly (three times) in the purchased goods, or should several defects gradually become apparent, the Purchaser shall also be entitled to withdraw from the purchase contract or to request the delivery of replacement goods.
6. Should the Contracting Parties fail to agree on the amount of the price reduction, the Purchaser shall be entitled to request repair.
7. If the Seller is to remove the defects, the Seller shall do so without undue delay. Should the Seller breach this obligation or fail to remove the defects, the Purchaser shall be entitled to have the defects removed at the expense of the Seller.
8. None of these rights shall affect the Purchaser's right to compensation for damage caused by the Seller's breach of contractual obligations.
9. The Seller shall also compensate the Purchaser and third parties for damage caused by the persons used by the Seller to perform their obligations under the contract.
10. The Seller shall compensate the Purchaser for all damage caused by any item (including a defective one) used by the Seller in performing the contract.
11. If the Purchaser is in delay with payment of an invoice, the Purchaser shall pay the Seller default interest of 0.05% of the amount due for each day of delay.
12. In the event of failure to meet the deadline for handing over the goods, the Seller shall pay the Purchaser a contractual penalty of 0.5% of the total purchase price for each day of delay. If the goods have defects and the Purchaser nevertheless takes them over, the Seller shall pay the Purchaser a contractual penalty of 0.05% of the total purchase price for each day of delay from taking over the goods until the Purchaser's rights arising from defects are settled.
13. Contractual penalties agreed in the contract or in these Terms shall not affect the right of the entitled Contracting Party to compensation for damage in full.



IV. Rights of third parties and confidentiality

1. The Seller shall be liable for ensuring that the goods are not encumbered with the rights of any third party (e.g. patents, rights arising from industrial designs, copyrights, etc.), are not subject to security for any debts, and that performance of the contract does not interfere with the rights of third parties. The Seller shall truthfully inform the Purchaser if the goods are subject to third-party rights, in particular industrial property rights or copyrights, or are subject to security for any debts, or if performance of the contract has interfered with third-party rights. Should the Seller fail to provide the Purchaser with such information or provide false information, the Seller shall compensate the Purchaser for all harm incurred by the Purchaser as a result. Such harm shall also include any penalties imposed on the Purchaser by administrative or judicial authorities as a result of the Seller's breach of duty.
2. Samples, models, drawings, data carriers, etc., which are the property of the Purchaser, shall remain their property, and the Seller may not disclose them to any third party without the Purchaser's consent or use them for the benefit of third parties or for the Seller's own profit. Should the Seller, in connection with concluding or performing the contract, acquire knowledge of scientific and technical procedures, matters of a business nature, matters protected by intellectual property law, or of prices, manufacturing processes, patents or any other data of the Purchaser, or gain access to such data on any medium, the Seller shall ensure their confidentiality. The Seller shall not be entitled to copy, store or otherwise process such data and information except for the purpose of performing the contract.
3. Samples, models, drawings, data carriers, etc., which have formed part of the delivery of goods shall become the property of the Purchaser, who shall acquire all rights to them.

V. Payment terms

1. The Purchaser shall not be obliged to pay the purchase price (even partially) until all of the Purchaser's rights arising from defects of the goods have been satisfied.
2. In principle, the Purchaser shall pay the price of the goods after taking them over on the basis of an invoice due within 60 days of the date of delivery of the invoice to the Purchaser. The assignment of the claim for payment of the purchase price shall not be permitted unless the Purchaser gives explicit written consent.
3. The invoice shall contain all the particulars of a proper tax document pursuant to the applicable regulations, i.e. in particular the full addresses of the Seller and the Purchaser, specification of the performance, company identification numbers, tax identification numbers, date of the taxable supply, invoice issue date and due date. **The invoice shall also contain the Purchaser's order number.**
4. If the invoice does not contain all the particulars, in particular those mentioned in paragraph 3 of this Article, it shall be returned to the Seller for correction (where value added tax is charged, for the purpose of issuing a tax credit or debit note). In such case, the due period shall start to run anew from the day following the day of redelivery of the invoice (or delivery of the tax credit or debit note).
5. The Seller shall issue and send all invoices to the Purchaser only in electronic form, provided that the electronic invoices meet the following conditions:
 - a. **Invoices shall be sent electronically as an attachment to an e-mail message:**
 - i. to invoices.cze@heidelbergmaterials.com if the Purchaser is:
 1. Heidelberg Materials CZ, a.s.,
 2. Heidelberg Materials Digital Hub Brno, s.r.o., or



3. TRANS-SERVIS spol. s r.o.,
 - ii. to elektronicke.faktury@heidelbergmaterials.com in all other cases.
- b. **Invoices shall be sent in one of the following formats:**
 - i. as a file in the format name.PDF; or
 - ii. as two separate files with the same name in the format name.PDF and name.ISDOC; or
 - iii. as a single file name.PDF in which the file name.ISDOC is embedded; or
 - iv. as a file in the name.ISDOCx format, which includes compressed ISDOC and PDF files.
- c. All attachments to the invoice (such as work reports, handover protocols and similar documents) must form part of the PDF or ISDOC/ISDOCx file containing the invoice. Such attachments must not be sent as separate e-mail attachments.
- d. The e-mail message may contain only one electronic invoice, the size of which, including attachments, may not exceed 20 MB.
6. Pursuant to Section 26 of Act No. 235/2004 Coll., on Value Added Tax (hereinafter referred to as the "VAT Act"), the Purchaser agrees to electronic invoicing as well as to the use of a tax document in electronic form.
7. The Purchaser shall be entitled to demand payment of a contractual penalty from the Seller if the Seller:
 - a. issues and delivers invoices to the Purchaser in paper form, in which case the contractual penalty shall be CZK 60 for each invoice so issued,
 - b. issues and delivers invoices to the Purchaser in electronic form which, however, do not meet the requirements of Article V paragraph 5 of these Terms, in which case the contractual penalty shall be CZK 30 for each invoice so issued.
8. If the purchase price is paid by bank transfer, the payment date shall be deemed to be the date on which the relevant amount is debited from the Purchaser's bank account.
9. Monetary payments between the Contracting Parties shall be applied first against the principal, then against the costs associated with the enforcement of the claim, then against default interest and then against interest, unless the Contracting Parties expressly agree otherwise.
10. If the invoice is not delivered, the Seller shall resend the invoice to the Purchaser. The due period shall start to run only on the day following the day of actual (repeated) delivery of the invoice to the Purchaser. The Seller shall not be entitled to default interest until the due period of the actually (re)delivered invoice has expired.
11. If the Seller ceases to be a payer of value added tax (hereinafter referred to as "VAT"), the Seller shall notify the Purchaser of this fact in writing without delay, no later than within five working days. Should the Seller breach this obligation, the Seller shall pay the Purchaser a contractual penalty of CZK 100,000. The Contracting Parties further agree that if the Seller ceases to be a VAT payer, the Seller shall not issue an invoice to the Purchaser in the form of a tax document, shall invoice only the price of the goods excluding VAT and shall return any wrongfully received VAT to the Purchaser without delay.
12. The Seller hereby declares that they are not an unreliable payer within the meaning of the VAT Act and that no proceedings for a declaration of being an unreliable payer are being conducted against them. If such proceedings are initiated, the Seller shall inform the Purchaser thereof within three days of the day on which they learn of such proceedings. The Seller shall also inform the Purchaser without delay that a decision declaring the Seller an unreliable payer has been issued, but no later than within three days of such decision becoming final. In the event of a breach of any of these obligations, the Seller shall pay the



Purchaser a contractual penalty of CZK 100,000 for each individual breach. The Seller shall also compensate the Purchaser in full for any harm incurred; such harm shall also include all payments made by the Purchaser as a guarantor (as the recipient of a taxable supply) under the VAT Act.

13. The Seller further declares that the bank account stated in the contract is the account published by the tax administrator pursuant to the VAT Act. In the event of a change of the published account, the Seller shall notify the Purchaser of such change without delay, no later than within three days of the change. The Seller shall also always state on the invoices the account number published pursuant to the VAT Act. In the event of a breach of any of these obligations, the Seller shall pay the Purchaser a contractual penalty of CZK 100,000 for each individual breach. The Seller shall also compensate the Purchaser in full for any harm incurred; such harm shall also include all payments made by the Purchaser as a guarantor (as the recipient of a taxable supply) under the VAT Act. If the account number stated on the invoice does not match the account number published by the tax administrator pursuant to the VAT Act, the Purchaser shall be entitled to return the invoice to the Seller for correction. A new due period shall start to run upon delivery of the corrected invoice. If the account stated on the invoice is not the account published pursuant to the VAT Act, or if the Purchaser is, for any reason, to pay an amount to an account that is not the Seller's account published pursuant to the VAT Act, the Purchaser shall also be entitled to pay the invoiced amount corresponding to VAT directly to the tax administrator and to pay the remaining amount to the account stated on the invoice or to another account to which the Purchaser is to pay. The Purchaser shall have the same right if they learn that the Seller does not fulfil their tax obligations.

VI. Special provisions

1. If the Seller is an obliged entity within the meaning of Section 2 paragraph 1 of Act No. 340/2015 Coll., on the Register of Contracts, and the contract, or a partial contract concluded on the basis of a framework contract, does not fall under any of the statutory exceptions to the publication obligation, the Seller undertakes to send such contract to the administrator of the Register of Contracts for publication without undue delay, but no later than within 30 days of the conclusion of the contract. In such case, the contract shall become effective on the date of its publication in the Register of Contracts, unless a later effective date has been agreed; any divergent arrangements shall be disregarded. The Seller undertakes to appropriately redact, in the contract sent for publication, any data excluded from publication. The Seller shall, in particular, redact the signatures of the acting persons and any personal data contained in the contract, unless such data are publicly available (e.g. from the commercial register or another public register). The Seller shall inform the Purchaser of the publication of the contract in the Register of Contracts without undue delay.
2. In case of doubt, a consignment shall be deemed delivered on the third working day after its dispatch. A consignment shall also be deemed delivered on the day on which the addressee refused to accept it.
3. A contract concluded in writing may only be amended and supplemented by numbered written amendments signed by duly authorised persons.
4. The Purchaser shall be entitled to assign the purchase contract/framework contract (also partially) to another person. The Seller hereby gives their explicit consent to such assignment.
5. Neither Contracting Party shall be entitled to pledge a claim arising from the contractual relationship governed by these Terms or arising in connection with this contractual relationship, unless the other Contracting Party has expressly agreed to the pledge in writing.



6. If the operation of the Purchaser to which the (framework) purchase contract relates is suspended, interrupted or restricted, the Purchaser shall be entitled to request postponement of the agreed date of performance or to withdraw from the contract.
7. If there is a ground for withdrawal consisting in the delay of one of the Contracting Parties, the withdrawal must be made expressly and in writing. The provision of Section 1978 paragraph 2 of Act No. 89/2012 Coll., the Civil Code, shall not apply.
8. All legal relations between the Contracting Parties established by the relevant contract or arising on its basis shall be governed by the substantive law of the Czech Republic; the United Nations Convention on Contracts for the International Sale of Goods (Vienna Convention) shall not apply. Both Contracting Parties hereby agree on the exclusive jurisdiction of the courts of the Czech Republic as regards any claims or matters arising from or in connection with the contract.
9. The Seller hereby represents and warrants that they are not registered on any sanctions list and do not cooperate with any person registered on any sanctions list and that neither they, nor any person with whom they cooperate, nor any person directly or indirectly involved in performance for the Seller as a member of their supply chain, is subject to international sanctions. Sanctions lists mean the UN Security Council Consolidated Sanctions List, the Consolidated List of Individuals and Entities Subject to EU Sanctions, and the U.S. Treasury Department's Office of Foreign Assets Control (OFAC) Consolidated List. International sanctions shall mean sanctions adopted by the Czech Republic in accordance with Act No. 69/2006 Coll., on the Implementation of International Sanctions, as amended, as well as international sanctions adopted by the EU or its Member States and/or Member States of the European Economic Area, the UN Security Council, the United Kingdom of Great Britain and Northern Ireland, as well as sanctions adopted by the US Government, in particular by the Office of Foreign Assets Control (OFAC) of the US Treasury Department, the U.S. Department of State and the U.S. Department of Commerce. In the event of a breach of this provision, the Purchaser is entitled to terminate the contractual obligation with immediate effect.
10. The Seller acknowledges that Heidelberg Materials CZ, a.s. has implemented and maintains the following management systems:
 - a. quality management pursuant to ČSN EN ISO 9001,
 - b. environmental management pursuant to ČSN EN ISO 14001,
 - c. occupational health and safety management pursuant to ČSN ISO 45001,
 - d. energy management pursuant to ČSN EN ISO 50001.

The Seller shall comply with the principles of these management systems and the related policies of the Purchaser, where the Purchaser is Heidelberg Materials CZ, a.s.