



General Terms and Conditions

of **Global Tooling Service s.r.o.**, with a its business seat at Varšavská 715/36, Vinohrady, 120 00 Prague 2, Czech Republic, Business Identification Number (IČ): 069 81 607, Tax Identification Number (DIČ) CZ06981607, registered in the Commercial Register held by the Municipal Court in Prague, Section C, Insert 292500

I. Definition of terms

For the purpose of these General Terms and Conditions (**GTC**), the words below have the meanings herein assigned to them, except where the context otherwise requires:

Purchase Contract means the entire agreement between the Buyer and the Seller, including these GTC, defining the terms and conditions mutually agreed between the Parties, and the Purchase Order.

Party(ies) mean individually or collectively the Buyer and/or the Seller.

Buyer means the party which purchases the Goods.

Seller means **Global Tooling Service s.r.o.**, with a its business seat at Varšavská 715/36, Vinohrady, 120 00 Prague 2, Czech Republic, Business Identification Number (IČ): 069 81 607, Tax Identification Number (DIČ) CZ06981607, registered in the Commercial Register held by the Municipal Court in Prague, Section C, Insert 292500.

Purchase Order means the order issued by the Seller based on the Buyer's demand for the Goods.

Goods means NBR Nitrile Examination Gloves as specified in the Purchase Order.

Port means one of the following Ports: (i) Qingdao, People's Republic of China, (ii) Shanghai, People's Republic of China or (iii) Ningbo, People's Republic of China.

Civil Code means the Act of the Czech Republic No. 89/2012 Coll., Civil Code, as amended.

II. General

2.1 The GTC apply to all Purchase Orders and generally Purchase Contracts between the Buyer to the Seller related to the sale of the Goods under the FOB terms in Qingdao, Shanghai or Ningbo, People's Republic of China, in accordance with the definition published by the International Chamber of Commerce "Incoterms[®] ICC 2020", as from the date the GTC takes effect. These GTC do not concern the sale of the Goods from or at other places, such as the sale of the Goods at the Seller's warehouse in the Czech Republic, or the sale of the Goods under different Incoterms.

2.2 The GTC are attached to the Purchase Order. By executing the Purchase Order, the Buyer confirms full knowledge of the GTC and accepts them.

2.3 Unless otherwise agreed within a specific contract, the following documents constitute all the obligations between the Seller and the Buyer and prevail in the descending order they are mentioned below: (i) the Purchase Order; (ii) the GTC. The GTC prevail over the Buyer's general terms and conditions and any other condition not expressly approved in writing by the Seller. Any specific derogation from or amendment to the GTC as may be agreed between the Parties

in a specific Purchase Contract is not valid unless duly accepted and executed in writing by both Parties.

III. Sale of Goods

- 3.1 All descriptions and illustrations in the Seller's catalogues, price lists and advertisements or otherwise communicated to the Buyer do not form part of the Purchase Contract and are considered approximate unless otherwise stated by the Seller.
- 3.2 The Goods are labelled in accordance with Czech law.
- 3.3 The Buyer demands the Goods, namely the amount, quality and type of the Goods, and the place of delivery by sending a letter to the address of the Seller's business seat or by sending an e-mail to the address shay@gts-eu.net. Based on the Buyer's demand, the Seller issues a Purchase Order specifying the purchased Goods, namely the amount, quality and type of the Goods, the purchase price of the Goods and the presumed date of performing a Quality Control under Art. VI. of these GTC. The Seller is free to issue or not the Purchase Order.
- 3.4 Once the Seller issues the Purchase Order, the Parties must sign it. The Parties may sign the Purchase Order electronically. Upon the signature of the Purchase Order, the Purchase Contract is concluded.

IV. Purchase Price and Terms of Payment

- 4.1 The purchase price is stated in the Purchase Order. Unless otherwise agreed upon, the prices are in USD, FOB in Qingdao, Shanghai or Ningbo, People's Republic of China, in accordance with the definition published by the International Chamber of Commerce "Incoterms[®] ICC 2020".
- 4.2 The payment of the purchase price of the Goods is executed as follows:
 - i) Upon the conclusion of the Purchase Contract, the Seller issues a proforma invoice of 15% of the purchase price and delivers it to the Seller. The Buyer must pay 15% of the purchase price of the Goods within 3 days of receiving the invoice. Once 15% of the purchase price is paid, the Seller start manufacturing the Goods.
 - ii) Once the Goods are manufactured, the Seller ensures the Quality Control as specified in Article VI. of the GTS.
 - iii) If the Quality Control is positive, the Seller issues the invoice of 85% of the purchase price. The Buyer pays the Seller 85% of the purchase price for the particular delivery within 3 days of receiving the positive report of the CTS or other quality control company under Art. 6.3 and the relevant invoice. The Parties agree that the Goods are not released before the Seller's account is credited with the payment of the purchase price under this Article.
- 4.3 Alternatively, the Parties may agree that the Buyer pays the Seller 100% of the purchase price after the manufacturing the Goods and the issuing of the positive Quality Control. In this case, the Buyer pays the Seller 100% of the purchase price for the particular delivery within 3 days of receiving the positive report of the CTS or other quality control company under Art. 6.3 and the relevant invoice. This stipulation applies only if this alternative is expressly agreed upon in the Purchase Contract.

- 4.4 In any case, if the Buyer fails to pay any part of the purchase price of the Goods, the Seller is entitled to withdraw from the Purchase Contract under Art. 10.2.
- 4.5 The Seller may deliver the invoices to the Buyer electronically, by e-mail sent to the Buyer's address indicated in the Purchase Order.
- 4.6 The Parties acknowledge that FOB purchase price is to be understood as a price inclusive of the cost of the Goods and costs incurred until the Goods are handed over to the freighter at the Port (loaded on the vessel in the Port), inclusive of any costs of formalities necessary for export of the Goods, and of any taxes, duties and other charges payable upon export.
- 4.7 The FOB purchase price is non-inclusive of any other costs, such as cost of the insurance, taxes, including VAT, fees or duties incurred once the Goods are handed over to the freighter, costs of the freight, any taxes, duties and other charges payable upon import, and if necessary, during transit of the Goods through any country. Unless agreed upon or provided for otherwise, these costs are paid by the Buyer and, in any case, are paid at the Buyer's costs.
- 4.8 Any payment of the purchase price under this clause 4 of the GTC must be executed to either of the following Seller's bank account, depending on the agreed purchase price:

i) CZK bank account

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|-------------|---|
| Account No. | 2035130007/6000 |
| IBAN | CZ91 6000 0000 0020 3513 0007 |
| BIC/SWIFT | PMBPCZPP |
| Bank: | PPF banka a.s., with a its business seat at Prague 6, Evropská 2690/17, Post Code 16041, Czech Republic, Business Identification Number (IČ): 471 16 129, registered in the Commercial Register held by the Municipal Court in Prague, Section B, Insert 1834 |
| Currency | CZK |

ii) USD bank account

| | |
|-------------|---|
| Account No. | 2035130015/6000 |
| IBAN | CZ69 6000 0000 0020 3513 0015 |
| BIC/SWIFT | PMBPCZPP |
| Bank: | PPF banka a.s., with a its business seat at Prague 6, Evropská 2690/17, Post Code 16041, Czech Republic, Business Identification Number (IČ): 471 16 129, registered in the Commercial Register held by the Municipal Court in Prague, Section B, Insert 1834 |
| Currency | USD |

iii) USD bank account

IBAN GB68 IFXS 2322 9088 6576 02

BIC/SWIFT IFXSGB2L

Bank: IFX Payments, 119 Marylebone Road, London, NW1 5PU,
United Kingdom of Great Britain and Northern Ireland

Currency USD

V. Terms of Delivery

- 5.1 Once the Buyer pays the purchase price of the Goods, the Seller notifies the Buyer of the Port in which the Goods may be handed over to the freighter. Without undue delay, but not more than within 3 days of receiving the Seller's notification, the Buyer must notify the Seller of the correct identification of the freighter and their contact data. The Seller subsequently contacts the freighter and agrees with them the date and manner of handing over the Goods to the freighter.
- 5.2 A partial delivery is only possible if agreed by the Parties.
- 5.3 The Seller delivers the Goods by carrying the Goods to the Port, and handing over the Goods to the freighter. The Goods are delivered once they are handed-over to the freighter.
- 5.4 If the Buyer does not provide assistance with delivering the Goods, such as if the Buyer does not notify the Seller of the correct identification of the freighter and their contact data, the Seller may withdraw from the purchase agreement under Art. 10.2 of the GTC.
- 5.5 The Buyer acknowledges that the exact date of delivery of the Goods depends on the freighter, that the Seller cannot influence such a date and that the Seller is not liable for any harm caused by the date the Goods are handed over to the freighter. Nor is the Seller liable for any harm caused by delay in delivery or non-delivery of the Goods due to any circumstances beyond the Seller's control, in particular but not exclusively due to any Force Majeure event, as defined in the GCT, or due to the Buyer's lack of necessary assistance.
- 5.6 The Seller must ensure, at its costs, any documents necessary for export of the Goods, such as any export licence or any other authorisation, and carry out, if applicable, all customs formalities necessary for export of the Goods. The Seller provides the Buyer with usually documents necessary for the freight of the Goods. If the Buyer needs any specific documents, the Buyer must inform the Seller of such documents when demanding the Goods.
- 5.7 The Buyer must ensure, at its costs, any other documents and formalities, in particular any documents necessary for import of the Goods, such as any import licence or any other authorisation, and carry out, if applicable, all customs formalities necessary for import of the Goods, and if necessary, for transit of the Goods through any country.
- 5.8 The Seller undertakes to insure the Goods against any damages and or loss during the carriage from its factory to the container terminal in the Port.

VI. Quality Controls

6.1 The Parties agree that the Seller engages a relevant subsidiary of CTS or any other quality control and inspection company (the “**QC company**”) for the inspection of the Goods before loading and shipping of the Goods. The inspection is performed at the cost of the Seller.

6.2 The QC company issues a report that verifies:

- i) Total number of boxes of the Goods and whether it corresponds to the number stipulated in the Purchase Contract;
- ii) Whether the boxes of the Goods conform to the technical specification under the Purchase Contract.

6.3 If the QC company issues a report showing that:

- i) total number of boxes of the Goods deviates with no more than 5% from the number stipulated in the Purchase Contract;
- ii) over 95% the boxes of the Goods do conform to the technical specification in the Purchase Contract;

the report is positive, the Goods are accepted by the Buyer and the Seller will load them onto the transport vessel on the FOB basis.

6.4 In the Seller’s factory, before sealing the container and carrying the container to the Port, the Seller ensures, at its own risk, an additional Quality Control and issues a related report which includes photo-documentation of the Goods and of the container, including the seal, (“**loading report**”). If requested by the Buyer, the Seller provides the Buyer with the loading report.

6.5 In the case of a negative report of the QC company (i.e., any other report apart from a positive report under Art. 6.3.) or a negative report under Art. 6.4, the Seller makes due effort to have irregularities fixed and to have new positive reports issued, at the expense of the Seller. If that is not possible, the Seller retains the Goods at its own expense and either of the Parties may withdraw from the Purchase Contract. The Parties may agree for a partial shipment and ship only part of the Goods.

VII. Rights from Defective Performance, Transfer of Title and Risk of Loss

7.1 The Buyer must inspect any delivered Goods immediately upon receipt. The Buyer must notify the Seller of any complaints relating to apparent defects of the Goods immediately upon receipt of the Goods. The Buyer must notify the Seller of complaints relating to defects which cannot be discovered on the basis of an inspection upon receipt (hidden defects), by registered letter or by an e-mail sent to the address shay@gts-eu.net, within 3 days of the defects being discovered by the Buyer, but no later than 30 days of receiving the Goods. If the Buyer does not notify the defects under this Article, the Buyer’s right to claim the defects ceases to exist.

7.2 Provided that the Buyer’s complaints are made according to the terms and conditions in Art. 7.1, the Seller will remedy, at its own costs, defects of the Goods attributable to defective material, workmanship or design. The Buyer sends the defective Goods, at its own expenses and responsibility, to the Seller.

- 7.3 If the complaint is legitimate, the Seller undertakes at its option to replace the same Goods or refund to the Buyer the purchase price of the Goods and in no circumstances will liability of the Seller for any harm caused by the defective performance exceed the cost of replacement or the purchase price of the Goods paid by the Buyer.
- 7.4 The Seller informs the Buyer of the manner of satisfying the Buyer's rights from the defective performance or that the Seller does not consider the Buyer's complaint legitimate within 30 days of receiving the complaint.
- 7.5 The Seller is not liable for any defects or damage not caused by the Seller, such as any defects or damage caused by the Buyer's neglect, misuse or by usual wear and tear of the Goods.
- 7.6 The stipulations of the GTC on the Buyer's rights from the defective performance entirely replace stipulations of the relevant legislation on the rights from the defective performance. The Buyer may only exercise the rights from the defective performance under the GTC and only has the rights from the defective performance to the extent provided for by the GTC.
- 7.7 The risk of loss and title on the Goods passes from the Seller to the Buyer upon the delivery of the Goods to the Buyer as defined in the GTC.

VIII. Force majeure

- 8.1 Should any of the Parties fail to comply with its respective obligations under the Purchase Contract due to the circumstances of Force Majeure: fire, flood, acts of God, war, military operations of any kind, blockade, ban of exports, government regulations or orders, change of legislation, epidemic/pandemic, earthquake, explosion, litigation or labour disputes and other circumstances beyond the influence of the Parties, the time necessary for fulfillment of its respective obligations under the Purchase Contract is extended for the duration of circumstances of Force Majeure. If the duration of the above circumstances exceeds 28 days, each Party has the right to withdraw from the Purchase Contract and in such case neither of the Parties has the right to demand compensation of any harm resulting from the other Party.
- 8.2 The Party failing to meet its obligations under the Purchase Contract due to Force Majeure notifies the other Party within 7 days in writing about the commencement and the cessation of the circumstances, preventing the Party from fulfilling its obligations under the Purchase Contract. Failure to notify in time the other Party of the commencement and of the cessation of the circumstances of Force Majeure, means that the failing Party loses the right to appeal to the above-mentioned circumstances and is liable for any harm caused by the delay with fulfilling its obligations.

IX. Confidential Information

- 9.1 It is understood and agreed that, in the course of the Purchase Contract and through activities of the Parties as provided in the Purchase Contract, the Parties will receive, deal with and have access to confidential information and that each Party holds and will hold the other Party's confidential information in trust and confidence and for its benefit only. Each Party agrees that it will not, during the term of the Purchase Contract thereafter, in any fashion, form or manner, directly or indirectly, retain, make copies of, divulge, disclose or communicate to any person, company, corporation, firm, partnership or entity, in any manner whatsoever (except when necessary or required or for the benefit of the other party or with the express written

consent of the other party), any of the other Party's confidential information or any information of any kind, nature or description whatsoever concerning any matters affecting or relating to the other Party's business or proposed business operations.

X. Termination

10.1 The Parties may terminate the Purchase Contract by agreement or by withdrawal. The Parties may only withdraw from the Purchase Contract under the conditions provided by the GTC.

10.2 The Seller may withdraw from the Purchase Contract in the cases provided for by the GTC and if:

- i) The Buyer substantially breaches its obligations from the Purchase Contract.

The Parties expressly agree that as a substantial breach of the Buyer's obligations from the Purchase Contract is, in particular, considered the Buyer's delay with paying the purchase price or any part of it or with cooperation necessary for ensuring the delivery of the Goods to the Buyer or a breach of obligations provided for in Article IX.

- ii) The Buyer enters into the process of its winding up with liquidation, the Buyer becomes subject of insolvency or any other similar proceedings.

- iii) The Seller may fulfil the obligations from the Purchase Contract with difficulties caused by Force Majeure as defined in this GTC.

10.3 The Seller may withdraw from the Purchase Contract for any reason or without stating a reason within 30 days of the Purchase Contract being concluded.

10.4 The Buyer may withdraw from the Purchase Contract in the cases provided for by the GTC and if:

- i) The Seller substantially breaches its obligations from the Purchase Contract.

The Parties expressly agree that as a substantial breach of the Seller's obligations from the Purchase Contract is, in particular, considered the Seller's breach of obligations provided for in Article IX.

- ii) The Seller enters into the process of its winding up with liquidation, the Seller becomes subject of insolvency or any other similar proceedings.

10.5 The Buyer may further withdraw from the Purchase Contract without stating a reason or for any reason within 14 days of the Purchase Contract being concluded. If the Buyer withdraws within 1 – 7 days of the Purchase Contract being concluded, the Buyer is not obliged to pay any withdrawal fee. If the Buyer withdraws from the Purchase Contract within 8 – 14 days of the Purchase Contract being concluded, the Buyer must pay a withdrawal fee of USD 1,000. The Seller may set off its receivable for the withdrawal fee against any of the Buyer's receivable for returning the purchase price paid until the withdrawal, and this even if any of these receivables is not yet due (payable).

- 10.6 The withdrawal must have a written form and must be delivered to the other Party by a registered letter. By delivering the withdrawal to the Party, the Purchase Contract is terminated with effect from the beginning.
- 10.7 Without undue delay after the delivery of the withdrawal to the Party and unless provided otherwise by the Purchase Contract, the Parties must return to each other the fulfilments provided until the withdrawal.

XI. Limitation of Liability

- 11.1 The rights of the Buyer from a breach of any of the Seller's obligations related to the sale of the Goods to the Buyer, including contractual and extra-contractual obligations, are exhaustively provided for in the GTC and the Buyer may only exercise such rights, including the right to compensation of any harm, to the extent provided for in the GTC. The Seller is not, in particular, liable to the Buyer for any consequential, incidental, indirect, special, or punitive damages including business interruption, loss of future revenue, profits or income, diminution in value or loss of business reputation or opportunity, relating to the breach or alleged breach hereof or otherwise.

XII. Dispute resolution, applicable law

- 12.1 The legal order of the Czech Republic applies to legal relations under the Purchase Contract and disputes arising from it, excluding the United Nation Convention (1980) on International Contracts for the Sale of Goods (Viennese Convention).
- 12.2 The Parties agree that:
- a. They exclude the application of Sec. 557, 1753, 1798, 1799 and 1800 of the Civil Code;
 - b. No rights and obligations are deduced from the current or future practice between the Parties or customs maintained in general or in the civil and commercial law; and
 - c. They assume a risk of the change of circumstances and that, consequently, they cannot require rights based on any change of circumstances.

- 12.3 For any disputes that may arise from or in relation to the Purchase Contract, the Parties irrevocably accept and submit to the exclusive jurisdiction of the court of the Czech Republic. Before submitting a dispute to the court, the Parties are obliged to attempt to settle a dispute in an amicable way.

XIII. General Terms

- 13.1 **Survival:** If any provision of the GTC or of the Purchase Contract is held to be void, invalid, ineffective or unenforceable, the validity, effect and enforceability of the remaining provisions remain unaffected, and Parties undertake to replace the void, invalid, ineffective or unenforceable provision by an admissible provision of the applicable law which is closest to the intent of the original provision.
- 13.2 **No Assignment.** No Party may assign or otherwise transfer any of its rights or obligations under the Purchase Contract without the prior written consent of the other Party.
- 13.3 **Amendment. Non-waiver:** The Purchase Contract may only be amended by virtue of an explicit written agreement between the Parties. The failure by any Party at any time to require

performance of any provision of the Purchase Contract does not affect its right later to require such a performance. No waiver in any one or more instance is (except as otherwise stated therein) deemed to be a further or continuing waiver of any such condition or breach in any other instances or a waiver of any other condition or breach of any other term, covenant, representation or warranty.

13.4 **Entire Agreement.** The Purchase Contract constitutes the complete agreement between the Parties relating to the matters agreed upon herein and supersedes all prior or contemporaneous agreements or representations, written or oral, concerning the subject matter of the Purchase Contract.

13.5 **Effect.** These GTC take effect on 1 June 2021 and replace all GTC related to the sale of the Goods and previously issued by the Seller related to the subject matter of these GTC, namely the sale of the Goods under the FOB terms in Qingdao, Shanghai or Ningbo, People's Republic of China, in accordance with the definition published by the International Chamber of Commerce "Incoterms[®] ICC 2020".