

GENERAL TERMS AND CONDITIONS**PILOUS spol. s r.o.****I. Validity of the General Terms and Conditions**

These General Terms and Conditions (hereinafter the GTC) apply between PILOUS spol. s r.o. (hereinafter “**Pilous**”) and the supplier. Other terms and conditions apply only if Pilous expressly agrees to them in writing.

II. Orders and Agreements

Unless otherwise agreed in writing in advance, agreements and orders may only be entered into with Pilous in writing and must be signed by the representatives of both Contracting Parties. All amendments to the documents resulting from the performance of the agreement must also be agreed in writing.

If an order is concluded in writing, the order shall be accepted and an agreement concluded when a copy of the order duly signed by the supplier is delivered to Pilous.

III. Confidentiality

The supplier shall be obliged to treat the agreement and all of the business and technical information relating to its implementation as trade secrets and confidential information of Pilous (hereinafter the “Confidential Information”).

Regardless of whether or not an agreement has been concluded, the confidentiality obligation also applies to information obtained during the bidding stage and after the agreement is terminated.

All documents provided by Pilous are and shall remain its property. At the request of Pilous, these documents and all copies, transcripts and data stored on data carriers must be returned or destroyed (shredded) to the full extent upon the termination of the agreement or during the term of the agreement, and their destruction must be documented. The obligation to destroy (shred) shall be waived only in cases stipulated by law.

IV. Method of transport

Pilous reserves the right to determine the transport routes and method of transport, as well as the means of transport and method of packaging.

INCOTERMS in the latest version valid at the time the agreement is concluded shall be used for the delivery conditions.

V. Payment Terms

The receivable due dates are always governed by the deadlines specified in the agreement or order.

The condition for the due date of the supplier's receivables is that Pilous has verifiable and formally correct tax documents at its disposal.

The Supplier is not entitled to set off, assign or pledge its receivables against Pilous, unless otherwise agreed in writing. Such an act shall be ineffective against Pilous without its consent under the previous sentence.

At the request of Pilous, the supplier shall be obliged to prove that it is the owner of the account to which the payments are to be made.

VI. Contractual Penalty

If the goods are not duly delivered or the service provided within the specified time period, the supplier shall pay to Pilous a contractual penalty of 0.5% of the price of the entire performance for each commenced week of delay, but not more than 5% of the price of the entire performance. Pilous shall be entitled to set off the receivable for the payment of the contractual penalty

against the receivable of the supplier for the payment of the price of performance. Payment of the contractual penalty and overdue interest shall not affect the claim of Pilous for compensation for any other higher damages. The obligation to pay the contractual penalty shall persist after the agreement is terminated.

VII. Applicable Law and Jurisdiction of Courts

The agreement and related legal acts, as well as legal relations arising from breach of the agreement, are governed by the legal order of the Czech Republic.

The application of private international law and the Convention on Contracts for the International Sale of Goods is excluded.

The court of the Czech Republic in whose district Pilous has its registered office shall be the competent court for all disputes arising from or in connection with the agreement.

VIII. Notice

The notice periods are governed by a contractual arrangement.

In the following cases, Pilous shall be entitled to terminate the agreement within 15 days or to withdraw from the agreement with immediate effects at the discretion of Pilous:

- a) insolvency or other similar proceedings have been initiated against the supplier;
- b) the supplier has apparently become insolvent;
- c) the supplier has entered into liquidation;
- d) the supplier has terminated one of its activities, without which it is not possible to fulfil the purpose of the agreement;
- e) the supplier has not fulfilled the subject of the agreement duly and on time.

IX. Performance of the agreement using subcontractors

The supplier shall only be entitled to authorize third parties such as subcontractors or independent staff to perform a supply or service for Pilous with the express and written consent of Pilous.

The supplier shall also be responsible for the quality of the services provided if subcontractors are used.