

PART I: General Business Conditions

These Sales General Business and Contract Conditions ("Conditions") shall apply exclusively to and govern all deliveries, services, and commercial transactions of GEARTEC.CZ, s.r.o. ("Supplier").

Any terms or conditions of the Buyer deviating from or supplementing these Conditions shall not apply unless expressly accepted in writing by the Supplier.

In the event of any inconsistency, the following order of precedence shall apply:

1. Order Acknowledgement
2. Quotation
3. These Conditions

Contract Formation

- A) These General Business Conditions shall become effective exclusively upon issuance of a written order confirmation by GEARTEC.CZ, s.r.o. ("Supplier"). Quotations issued by the Supplier or its authorized representatives are non-binding and subject to change or withdrawal at any time unless expressly confirmed in writing.
- B) The written order confirmation constitutes the entire agreement between the Supplier and the Buyer and supersedes all prior negotiations, representations, or agreements, whether written or oral. Any amendments or modifications shall be valid only if made in writing and signed by the Supplier.
- C) The Supplier retains all rights, including intellectual property rights, in all cost estimates, drawings, and other documents. Such documents shall not be disclosed, reproduced, or made available to third parties without the prior written consent of the Supplier.
- D) The Supplier reserves the right, at its sole discretion, to refuse acceptance, suspend performance, or terminate any order if the Buyer does not accept the payment terms or fails to comply with the requirement of written order confirmation.

Prices

- A) All prices are subject to written order confirmation by GEARTEC.CZ, s.r.o. ("Supplier") and apply exclusively to the scope of supply specified therein. Unless otherwise agreed in writing, all prices are quoted EXW (Ex Works, Incoterms® 2020) in Euro and are exclusive of VAT, customs duties, and any other applicable taxes, levies, or charges.
- B) The Buyer shall bear all additional costs, including but not limited to transport, freight, insurance, packaging, export and import duties, customs clearance, installation, and any related expenses.
- C) Any modification requested by the Buyer after order confirmation shall require prior written approval by the Supplier and may result in adjustments to the price, delivery schedule, and other contractual terms.
- D) The Supplier shall be entitled to charge the Buyer for all preparatory work performed at the Buyer's request, including but not limited to drawings, engineering services, tools, samples, and technical documentation, regardless of whether a contract is ultimately concluded.
- E) The Supplier reserves the right to adjust prices in the event of unforeseen increases in material costs, energy costs, labor costs, or other external factors beyond the Supplier's control occurring after order confirmation.

Delivery date and delivery defects

- A) All delivery dates and deadlines are non-binding unless expressly confirmed as binding in writing by GEARTEC.CZ, s.r.o. ("Supplier").
- B) Any delivery period shall commence only after full clarification of all technical details and after the Buyer has fulfilled all obligations, including provision of documents, approvals, and receipt of agreed advance payments.
- C) A delivery deadline shall be deemed fulfilled if the goods have been made available for pre-acceptance at the Supplier's premises. The Supplier shall notify the Buyer of the scheduled pre-acceptance at least two (2) weeks in advance.
- D) If the Buyer fails to attend the pre-acceptance or fails to confirm readiness for dispatch in writing (including by email), the Supplier shall be entitled to perform the pre-acceptance unilaterally. In such case, the pre-acceptance shall be deemed successfully completed and accepted by the Buyer without reservation.
- E) Upon completion or deemed completion of the pre-acceptance, all corresponding payment obligations of the Buyer shall become immediately due in accordance with the agreed payment terms.
- F) The Supplier shall be entitled to proceed with packing, invoicing, and dispatch of the goods only after receipt of the corresponding payment. Any delay in payment shall entitle the Supplier to suspend delivery without liability, and the delivery deadline shall be extended accordingly.
- G) The Supplier shall not be liable for delays caused by circumstances beyond its reasonable control, including but not limited to force majeure events, geopolitical developments, supply chain disruptions, delays of subcontractors, or shortages of materials or energy. In such cases, delivery periods shall be extended accordingly.
- H) Where performance depends on the Buyer's cooperation, any delay or failure by the Buyer shall result in an automatic extension of delivery deadlines.
- I) In the event of delay attributable to the Supplier, the Buyer shall grant a minimum grace period of thirty (30) days.
- J) The Supplier's liability for delay shall be limited to direct damages only and shall exclude any indirect or consequential damages, including but not limited to loss of profit, loss of production, or business interruption.
- K) Any agreed liquidated damages or penalties for delay shall be valid only if expressly agreed in writing and shall not exceed five percent (5%) of the total contract value.
- L) If shipment is delayed at the request or due to the fault of the Buyer, the Supplier shall be entitled to charge storage costs at actual cost or at a minimum rate of 0.5% of the invoice value per month, commencing one (1) month after notification of readiness for dispatch.
- M) If the Buyer fails to accept delivery within a reasonable period set by the Supplier, the Supplier shall be entitled, at its discretion, to store, resell, or otherwise dispose of the goods and claim damages.

Warranty

- A) The warranty period shall commence upon final acceptance of the properly installed machine at the Buyer's site or, if applicable, upon deemed acceptance, and shall continue for the period specified in the order confirmation.
- B) Unless otherwise agreed, newly manufactured goods are warranted for twelve (12) months and used or reconditioned goods for six (6) months. Any warranty extension shall be subject to separate agreement and additional charge.
- C) The Buyer shall inspect the goods immediately upon delivery. Any apparent defects must be notified in writing within seven (7) days of receipt; otherwise, such defects shall be deemed accepted.
- D) Hidden defects must be notified in writing within seven (7) days after discovery.
- E) The warranty applies exclusively to defects materially affecting the functionality of the goods. Minor deviations, cosmetic defects, or non-critical imperfections shall not constitute defects.
- F) The warranty excludes, in particular, defects resulting from:
 - normal wear and tear
 - improper use or maintenance
 - unauthorized modifications
 - external influences or third-party interference
- G) The Supplier shall, at its sole discretion, repair or replace defective goods. The Supplier shall be entitled to make multiple attempts to remedy any defect.
- H) The Buyer shall have no right to terminate the contract or claim damages unless the Supplier has failed to remedy the defect after a reasonable number of attempts.
- I) Any warranty claims shall be limited to repair or replacement. All other claims, including but not limited to claims for loss of profit, production downtime, or indirect or consequential damages, are expressly excluded.
- J) In case of transport damage, the Buyer shall comply with the carrier's procedures and notify the Supplier without delay; failure to do so may result in loss of claims.
- K) Software is provided on a limited, non-transferable basis. Any correction or restoration may be performed remotely, provided the Buyer ensures the necessary technical conditions at its own cost.
- L) Any unauthorized transfer, resale, or modification of software shall result in immediate termination of warranty rights.
- M) Any further claims are subject to the limitation of liability provisions of these Conditions.

Transfer of Risk

- A) Risk shall pass to the Buyer upon making the goods available for collection at the Supplier's premises in accordance with **EXW (Incoterms® 2020)**, irrespective of whether the Supplier undertakes to arrange transportation or provides additional services, including delivery, installation, or commissioning.
- B) If dispatch or collection is delayed due to reasons attributable to the Buyer, risk shall transfer to the Buyer upon notification of readiness for dispatch. From that moment, the goods shall be stored at the Buyer's risk and expense.
- C) At the Buyer's request and expense, the Supplier may arrange insurance coverage; however, the Supplier shall have no obligation to insure the goods.
- D) Partial deliveries shall be permitted and may be invoiced separately. Each partial delivery shall constitute a separate transfer of risk.

Limitation of Liability

- A) The Supplier shall be liable only for damages caused by willful misconduct or gross negligence. In all other cases, liability shall be excluded to the fullest extent permitted by applicable law.
- B) To the maximum extent permitted by law, the Supplier shall not be liable for any indirect, incidental, or consequential damages, including but not limited to loss of profit, loss of production, loss of use, or business interruption.
- C) The Supplier's total aggregate liability arising out of or in connection with the contract shall in no event exceed the total contract value.
- D) The Buyer shall be solely responsible for the accuracy and completeness of all drawings, specifications, samples, and instructions provided to the Supplier. The Supplier shall not be liable for any defects, damages, or non-conformities resulting from such information.
- E) The Supplier shall notify the Buyer without undue delay of any obvious errors identified.
- F) The Supplier shall not be liable for any infringement of third-party intellectual property rights resulting from compliance with the Buyer's specifications. The Supplier shall have no obligation to investigate or verify such rights.
- G) Any claims for damages must be asserted by the Buyer in writing without undue delay, and no later than within the applicable statutory limitation period.

Terms of payment

- A) Unless otherwise agreed, all invoices shall be due and payable without deduction within twenty-one (21) days from the date of issuance.
- B) In the event of late payment, the Supplier shall be entitled to charge default interest at a rate of two percent (2%) per month or the maximum rate permitted by applicable law, whichever is higher. The Supplier reserves the right to claim additional damages caused by delay.
- C) Payments shall be made exclusively by bank transfer to the account designated by the Supplier. Bills of exchange and similar payment instruments shall not be accepted.
- D) Irrevocable letters of credit (L/C) shall only be accepted subject to prior written approval by the Supplier. The Supplier reserves the right, at its sole discretion, to reject any L/C that does not fully comply with its requirements.
- E) Bank guarantees shall only be accepted upon prior written agreement. In such cases, the Supplier shall be entitled to charge an additional fee of four percent (4%) of the contract value.
- F) Unless otherwise agreed, the following payment schedule shall apply:
 - Measuring instruments
 - 50% advance payment upon order confirmation
 - 40% payment upon successful or deemed successful pre-acceptance in accordance with the Delivery clause (Pre-acceptance provision)
 - 10% payment upon final acceptance at the Buyer's site
 - Accessories
 - 100% payment upon delivery
 - Services (training, calibration, etc.)
 - 100% payment upon performance
- G) The Supplier shall have no obligation to dispatch or deliver any goods prior to full receipt of all due payments.
- H) In the event of late payment, the Supplier shall be entitled, without prejudice to any other rights, to suspend performance of its obligations. Any such suspension shall automatically extend all agreed delivery deadlines, and the Supplier shall not be liable for any resulting delay.
- I) If the Supplier becomes aware of circumstances that may adversely affect the Buyer's ability to meet its payment obligations, the Supplier shall be entitled to demand advance

- payment or adequate security at any time.
- J) If the Buyer fails to comply with such request, the Supplier shall be entitled to suspend performance or terminate the contract with immediate effect and claim damages.

Retention of title

- A) The Supplier retains title to all delivered goods until full payment of all claims arising from the contract and the ongoing business relationship with the Buyer has been received in full.
- B) Any software licenses shall only be granted upon full payment of all related invoices. Until such payment is made, the Buyer shall have no right to use the software beyond testing purposes.
- C) The Buyer shall be entitled to resell or process the goods in the ordinary course of business only. The Buyer hereby assigns to the Supplier, as security, all claims arising from such resale, including all ancillary rights, in the amount of the Supplier's outstanding claims.
- D) If the goods are processed, combined, or transformed, the Supplier shall acquire co-ownership of the resulting products in proportion to the value of the goods delivered.
- E) The Buyer shall remain authorized to collect the assigned claims in its own name until such authorization is revoked by the Supplier. The Supplier may revoke this authorization if the Buyer is in default of payment.
- F) In the event of default in payment or breach of contractual obligations, the Supplier shall be entitled, without prior termination of the contract, to repossess the goods. The Buyer shall grant immediate access to the goods and cooperate in their return.
- G) Repossession shall not constitute withdrawal from the contract unless expressly declared by the Supplier.
- H) If the goods are seized, pledged, or otherwise subject to third-party claims, the Buyer shall immediately notify the Supplier in writing and provide all necessary information and documentation to protect the Supplier's rights.
- I) The Buyer shall not pledge or otherwise dispose of the goods in a manner inconsistent with the Supplier's retention of title.

Governing Law and Jurisdiction

- A) The place of performance for all contractual obligations shall be Strojářská 2072, 250 88 Čelákovice, Czech Republic.
- B) All disputes arising out of or in connection with the contractual relationship shall be subject to the exclusive jurisdiction of the competent courts in Prague, Czech Republic, provided that the Supplier shall also be entitled to bring proceedings at the Buyer's place of business.
- C) These Conditions and all contractual relationships between the Supplier and the Buyer shall be governed by and construed in accordance with the laws of the Czech Republic. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is expressly excluded.
- D) Supplier may also bring claims at Buyer's place of business.
- E) The English version shall prevail. All communication shall be in English.

Force Majeure

- A) The Supplier shall not be liable for any failure or delay in the performance of its contractual obligations to the extent that such failure or delay is caused by or results from events beyond the reasonable control of the Supplier ("Force Majeure Event").
- B) Force Majeure Events shall include, but are not limited to: acts of God, war, armed conflict, terrorism, civil unrest, riots, strikes, lockouts, labor shortages, epidemics, pandemics, natural disasters, fire, explosions, interruptions in energy supply, shortages of raw materials, transport disruptions, governmental actions, sanctions, export or import restrictions, and delays or non-performance by subcontractors or suppliers due to any such events.
- C) In the event of a Force Majeure Event, the Supplier shall be entitled to suspend performance of its obligations for the duration of the Force Majeure Event and for a reasonable period thereafter. Delivery deadlines and other contractual time limits shall be extended accordingly.
- D) The Supplier shall not be liable for any damages, losses, or penalties resulting from such suspension or delay.
- E) If the Force Majeure Event continues for more than ninety (90) days, the Supplier shall be entitled to terminate the contract in whole or in part by written notice without incurring any liability.
- F) The Buyer shall not be entitled to any claims for damages, compensation, or penalties arising from or in connection with a Force Majeure Event.

Miscellaneous

- A) Should any provision of these Conditions be or become wholly or partially invalid or unenforceable, the validity of the remaining provisions shall not be affected. The parties shall replace the invalid or unenforceable provision with a valid provision that most closely reflects the economic purpose of the original provision.
- B) Any agreements, amendments, or declarations affecting the contractual relationship shall be valid only if made in writing. This requirement shall also apply to any waiver of the written form requirement.

Installation

- A) Installation and commissioning of the machine shall be carried out exclusively by GEARTEC.CZ, s.r.o. ("Supplier") or its authorized agents. The Supplier shall not be liable for any damages, inaccuracies, or injuries resulting from installation or intervention by unauthorized persons. The Supplier shall be entitled, at its sole discretion, to appoint qualified personnel or subcontractors worldwide for the execution of installation and related services.
- B) The Buyer shall provide, at its own expense, all necessary support for installation, including qualified personnel, internal transportation, suitable equipment, and unrestricted access to the installation site. The Buyer shall be solely responsible for any damage caused by its personnel, equipment, or facilities during installation. If the Buyer fails to provide the required support, the Supplier shall be entitled to perform the necessary work itself and charge all related costs to the Buyer. Any resulting delays shall automatically extend all agreed deadlines.
- C) Installation and commissioning shall be carried out under the sole responsibility and control of the Supplier. The Buyer's personnel may only participate or observe to the extent permitted by the Supplier and must comply with all safety and operational instructions.
- D) If installation cannot be completed due to inadequate site conditions or failure of the Buyer to meet the required technical specifications, including but not limited to power supply, compressed air, environmental conditions, or infrastructure, the Supplier shall be entitled to suspend installation. The Buyer shall be responsible for remedying such deficiencies and shall bear all additional costs incurred by the Supplier, including but not limited to travel, accommodation, labor, and re-installation costs.
- E) Training of the Buyer's personnel shall only be performed after successful completion or deemed completion of installation and acceptance of the machine, unless otherwise agreed in writing.

Machine acceptance procedure

- A) Pre-acceptance and final acceptance of the machine shall be carried out exclusively in accordance with the Supplier's standard acceptance procedures, unless otherwise agreed in writing in the order confirmation. Such procedures shall be binding on the Buyer.
- B) The machine shall be inspected for geometric accuracy in accordance with the Geometry Accuracy Report issued by the Supplier.
- C) The measuring accuracy of the machine shall be verified as follows:
 - Single flank inspection machines: repeated measurement (minimum 25 cycles) of a master gear set without

unclamping, achieving a statistical capability value (C_m) ≥ 1.33

- Double flank inspection machines: repeated measurement (minimum 25 cycles) of an eccentric disc, achieving a statistical capability value (C_m) ≥ 1.33
- D) Certification of measuring capability shall be issued by the Supplier and shall be conclusive evidence of compliance.
- E) If the machine does not meet the agreed acceptance criteria, the Supplier shall be entitled to remedy the deficiencies within a reasonable period and repeat the acceptance procedure.
- F) If the Buyer fails to attend the acceptance procedure, refuses acceptance without justified reason, or fails to issue the acceptance certificate within two (2) working days after successful testing, the machine shall be deemed accepted without reservation.
- G) Upon acceptance or deemed acceptance, all related payment obligations shall become due in accordance with the agreed payment terms.
- H) Unless otherwise agreed, all documentation shall be provided in electronic format.

Software licence

- A) Any software delivered with the machine or separately shall remain the exclusive property of GEARTEC.CZ, s.r.o. ("Supplier") and is licensed, not sold, to the Buyer. The Buyer is granted a non-exclusive, non-transferable, and non-sublicensable right to use the software solely in connection with the designated machine or agreed installation.
- B) The Buyer shall not transfer, assign, sublicense, or otherwise make the software available to any third party without the prior written consent of the Supplier.
- C) Updates, upgrades, and new releases are not included in the purchase price and shall be subject to additional charges unless otherwise agreed in writing.
- D) The Buyer shall not modify, adapt, reverse engineer, decompile, disassemble, or otherwise interfere with the software. Any unauthorized modification or use shall result in immediate termination of the license without compensation.
- E) The Buyer may create one backup copy of the software for internal use only.
- F) Any reinstallation, recovery, or technical support required due to misuse, unauthorized modification, or failure of the Buyer's systems shall be performed at the Buyer's expense.
- G) The software is protected by copyright and other intellectual property laws. Any unauthorized use, reproduction, or distribution shall constitute a material breach of contract and may result in legal action, including claims for damages and injunctive relief.

DATE OF EFFECTIVENESS:

1st January 2026