

**General Business Terms and Conditions**

1. These General Business Terms and Conditions (hereinafter the “Business Conditions” stipulate the relationship between the Service provider, HIGHFIVE s.r.o., Identification No. (IČ): 29371775, with its registered office at Lanžhotská 3448/2, 690 02 Břeclav, entered in the Companies Register administered by the Regional Court in Brno, Section C, Entry No. 76274 (hereinafter “HF”) and the entity that has ordered its services (hereinafter the “Customer”) on the basis of the concluded Service Agreement or any other agreement (hereinafter the “Agreement”). These Business Terms and Conditions also apply to the Framework Service Agreement concluded between the provider and the Customer.
2. The Business Conditions constitute a part of the services price list. Any changes must be in writing subject to an agreement between both parties, otherwise the changes shall not be taken into account.

**3. COOPERATION OF THE PARTIES**

- 3.1. HF shall provide its services on a 24/7 basis, which means continuous acceptance of the orders. Such services shall only be guaranteed by contacting the following persons by phone/e-mail:  
  
Realization manager: +420 727 958 522 (ralizace@hfive.cz)  
Sales consultant: + 420 732 595 649 (obchod@hfive.cz)
- 3.2. HF undertakes to follow the agreed working instructions. HF undertakes to provide employees (QI) trained in the field of labour safety.
- 3.3. The Customer undertakes to provide cooperation during the performance of the order well in advance and to the extent necessary in accordance with the relevant requirements. Where services are provided at the Customer’s premises, the Customer shall create appropriate conditions for providing the service, in particular sufficient and safe working space, sufficient lighting, rest facilities during breaks, facilities for keeping personal items and all other conditions necessary for providing the service.
- 3.4. The order of services by the ordered can be canceled free of charge, min. 6h before the start of the shift. Otherwise, if the shift is canceled in the interval 0-6 hours before the start of the shift, the customer is obliged to pay the incurred costs in the amount of 50% of the normal price of the range of ordered services within the specified shifts.
- 3.5. The Customer declares that it shall refrain from employing, hiring or otherwise cooperating with any employees, workers or suppliers of HF who participated in providing the services under the Agreement or with any legal entity where such person is a member of its body or ownership structure; this prohibition shall be valid throughout the term of the Agreement and shall survive six months after the termination thereof.
- 3.6. Should the Customer fail to fulfil the obligation under paragraph 3.4, the Customer shall be obliged to pay a penalty to HF in the amount of EUR 1,000 for each breach of such obligation; this shall be without prejudice to the claim to compensation for damage exceeding such contractual penalty.
- 3.7. HF undertakes to ensure QI pursuant to the following rules:
  - 3.7.1. The work on the order shall be commenced immediately upon the order is approved by HF’s employee and upon HF’s employee subsequently confirms the performance of the order or, as the case may be, in accordance with the requirement. By signing the order, the Customer has confirmed that it agrees with the price conditions and these Business Conditions and with creating a binding order of the services.
  - 3.7.2. HF shall exercise best efforts to commence the performance of the order within the deadlines and with the number of employees requested by the Customer. The Customer shall be informed of such request on an ongoing basis.
  - 3.7.3. The Customer shall be informed on the status of the order in the form of a summarized report, unless otherwise agreed. The report data may be contested within ten business days. The order shall be invoiced on the basis of the summarized report.

**4. PRICE; PAYMENT CONDITIONS**

- 4.1. The remuneration for the services provided by HF shall be payable on the due date specified in the invoice issued by HF. The remuneration shall be considered paid on the date when it will be credited to HF’s account.
- 4.2. Invoices shall be issued within ten business days following the completion of the order. Invoices shall be payable within 30 days following the date of issue of the invoice unless agreed otherwise between the parties. A penalty in the amount of 0.05% of the invoiced amount for each day of the default may be charged to the Customer. Invoices shall be sent to the Customer by e-mail and the original invoice shall be mailed to the relevant invoicing address, unless otherwise agreed.

**5. DEFECTS**

- 5.1. The provider shall be obliged to provide services without any defects. If the service is provided in conflict with the Agreement and/or the Framework Agreement, such failure shall be considered as a defect.
- 5.2. The Customer shall be obliged to inform the provider of any defects immediately upon the defects are discovered. It shall be deemed that the defect was reported on time if the Customer announced apparent defects no later than within five days following the date when the service was provided and hidden defects no later than within 21 days from the date when the Customer could have discovered such defects exercising due care and diligence, no later, however, than within six months following the date when the service was provided. A default in fulfilling any deadline shall constitute preclusion of the right arising from defective performance otherwise the services provided shall be deemed as provided without any defects.
- 5.3. In the event of defective performance and timely reporting the defects under point 5.2 hereof, the Customer shall provide the service repeatedly without any claim to remuneration. If the provider duly provides such service repeatedly, the defective performance shall be remedied and any other claims on the part of the Customer in connection with the provider's defective performance shall cease to exist, save for the claim to compensation of actual damage if the provider is liable for such damage pursuant to the applicable provisions of Act No. 89/2012, Coll., the Civil Code, as amended (hereinafter the "Civil Code").
- 5.4. Where the defective provisions of the service is not remedied in the manner stated under point 5.3 hereof, the Customer shall be entitled to request a reasonable discount on the price of the services provided; such right must be exercised in writing no later than within ten days following the date when the service was repeatedly provided pursuant to point 5.3 hereof, otherwise such claim shall cease to exist.
- 5.5. In addition to the claims under points 5.3 and 5.4 hereof, the Customer shall not be entitled to any other claims connected with the defective performance, except for a claim to compensation for the actual damage if the provider is liable for such damage pursuant to the applicable provisions of the Civil Code.
- 5.6. Should the Customer incur a damage as a result of breaching any obligations by the provider arising from the Agreement and/or the Framework Agreement without existence of force majeure events excluding the provider's liability, the provider shall only be obliged to provide compensation for actual demonstrably incurred damage but not for lost profits.

**6. LIABILITY; COMPENSATION FOR DAMAGE; INSURANCE**

- 6.1. The liability of the parties for damage shall be governed by the applicable provisions of the Commercial Code.
- 6.2. Neither of the parties shall be liable for a default in fulfilling the obligations arising from the Agreement if such default was demonstrably caused by a force majeure event. For the purposes of the Agreement, force majeure events shall include in particular war, fire, flood, explosion, accident, sabotage, emergency, natural disaster or sudden complicated transport situation.
- 6.3. Any complaints relating to failure to provide a service or to provide a correct service must be filed by the client in writing to the address of HF's registered office and must be designated as "Complaint – client/place" within seven days commencing on the date when the client discovered the damage caused by HF, no later, however, than within 30 days following the date when the service was provided.
- 6.4. The commencement of complaint handling proceedings shall be conditional upon the following:
  - a) written complaint shall contain the client's name, order number, subject of the complaint, circumstances justifying the complaint, claim arising from the complaint and signature of the person filing the complaint;
  - b) inspection protocol prepared by the client;
  - c) defective parts to be inspected by HF;
  - d) scrapping of defective parts on the basis of HF's decision; and
  - e) clearly demonstrated fault on the part of HF's personnel.
- 6.5. HF declares that complaints filed by the client shall be investigated without undue delay.
- 6.6. All complaints and requirements may only be filed by the client in the extent of the orders placed on the basis of the "Order".
- 6.7. Should the client fail to file the complaint in writing within the deadline specified in paragraph 6.3, the client shall not be able to raise claims arising from the failure to perform the Agreement or to perform the Agreement correctly on the part of HF.
- 6.8. HF declares that it has concluded insurance of liability for damage caused in relation to the performed activities; the insurance was concluded up to the limit amounting to CZK 3,000,000.
- 6.9. Limit for compensation for damage: the parties agree that if HF or the personnel cause a damage to the client in connection with the performance of the Agreement, the client shall receive compensation for such damage in the amount of up to EUR 500 within the framework of one order under which the damage was incurred, but up to the amount of maximum EUR 1,500 within the

framework of all performance rendered under the Agreement. HF shall only be liable for any damage that was caused solely by HF or by an error of the personnel for whose activities HF is exclusively responsible.

- 6.10. HF shall not be liable for failure to provide or to provide a service correctly if the service was provided under time pressure, if the provision of the service was interpreted as taking over activities within a time limit shorter than the standard accepted time for a certain type of service, in particular repairs performed under time pressure, all of which results from the client's decision to repeat inspection/selection/repair of the parts earlier considered as incompatible (NOK) for the purposes of increasing the amount of compatible parts (OK) and resulting from the client's written decision on a sudden increase of the amount of standards of the selection/sorting/repairs caused for example by increasing the client's order and without relation to incorrect provision of HF's services.
- 6.11. HF and customer declares that norm VDA 16 is representing discrimination characteristic expressed by nominal value of  $P_D = 0,003$  that means 0,3% as a standard tolerance for 100% visual inspection.

## 7. CONFIDENTIALITY

- 7.1. The parties recognize that within the framework of the performance of the Agreement the parties or their employees or contractual partners may obtain access to confidential information of the other party by intentional activities or omission of such other party. The parties undertake that they shall inform such persons of the confidential information and the obligations to keep such information confidential and shall ensure that such information shall be kept confidential.
- 7.2. The parties undertake to dispose with confidential information as with business secrets, in particular to keep such information confidential and to take all possible measures preventing the misuse or disclosure thereof. The parties may only disclose such confidential information to their employees or contractual partners insofar as necessary for the due performance of the Agreement.
- 7.3. For the purposes of the Agreement, confidential information shall include in particular all information that the parties learned in connection with the performance of the activities and with other negotiations with the other party, i.e. all data of which HF learns in connection with data processing and vice versa.
- 7.4. After the expiration of the validity and effectiveness of the Agreement, the parties shall be obliged to keep all information provided confidential until such information enters public domain.

## 8. FINAL PROVISIONS

- 8.1. The contractual relationships of the cooperating parties that are not stipulated in these Business Conditions or by the order shall be governed by the applicable provisions of generally binding legal regulations in the country where HF has its registered office (i.e. in the Czech Republic), in particular by the applicable provisions of Act No. 89/2012, Coll., the Civil Code, as amended (and in particular by the provisions of performance agreement).  
In the event of a conflict between the provisions of these Business Conditions and the order, the provisions of the order shall prevail.
- 8.2. Any and all disputes arising from the Agreement or those that relate to a breach, termination or invalidity of the Agreement shall be resolved amicably by the parties. Should an amicable resolution of any dispute be impossible, such disputes shall be resolved by the relevant court of the Czech Republic. The relevant court shall be the court with jurisdiction over the registered office of the provider, i.e. HIGHFIVE, s.r.o