



GENERAL BUSINESS TERMS AND CONDITIONS - CUSTOMER

1. APPLICATION SCOPE

1.1 These General Business Terms and Conditions (hereinafter the “**Terms and Conditions**”) apply to and form inseparable part of:

- a) Order (as defined below),
- b) Contract (as defined below), or
- c) any written contract concluded between Nafta and Counterparty, in which Nafta acts as a receiver of the Performance (i.e., in particular, as a customer, buyer, procurer, depositor, consigner, mandator, principal, or applicant), provided that such contract stipulates that these Terms and Conditions form inseparable part thereof.

2. DEFINITIONS

2.1 Unless otherwise stipulated in these Terms and Conditions, the terms starting with capitalized letters shall have the following meaning:

“**Address**” means (based on the context) a postal address, phone number, fax number, or e-mail address of one of the Parties notified to the other Party by letter, fax, or e-mail, or if such notification does not exist, a postal address of the registered office of a Party as recorded in the Commercial Register and a country, in which such registered office is located. Should, in the course of the Contract’s validity, there occur any change to the Address of the Counterparty, change in the registration of the Counterparty, or change in the Counterparty’s data for tax purposes, the Counterparty shall be obligated to notify such changes to Nafta without undue delay.

“**Price**” means a price, on which Nafta and the Counterparty agreed, and for which the Counterparty shall implement the Performance in accordance with the Contract.

“**Documentation**” means all documents (be it in printed or electronic form) necessary for due use, maintenance, or

repairs of the Performance (if the repairs are to be performed by Nafta), documents demonstrating Nafta’s entitlements resulting from the industrial property rights, which are necessary for due use of the Performance, and this all in the Slovak language while using standard Slovak technical terminology.

“**Invoice**” means an invoice, payment document, or other document to be issued by the Counterparty. The invoice must contain all the particulars required by generally binding legal regulations valid on the territory of the Slovak Republic, particularly the business name of both Parties, Address, Company Identification No., identification number for value added tax (VAT), or declaration that the Counterparty is not a VAT payer, information on incorporation in the Commercial Register or any similar register, Order or Contract number, serial number of the Invoice, Invoice issuance date, delivery date of the Performance or part thereof, due date, form of payment, Counterparty’s account number, description of the Performance or part thereof (quantity and type of goods, scope and type of service), unit price excluding tax, tax base, tax rate (or information on tax exemption), total tax amount in Euros (EUR), constant and possibly variable and specific symbol, deduction of any paid advances, amount payable, name and signature of the person authorized to issue invoices in the Counterparty’s name and stamp of the Invoice issuer. Unless the Contract stipulates otherwise, a Protocol to be duly filled in by the Counterparty and sent to Nafta together with the Invoice shall form inseparable part of the Invoice.

“**Nafta**” means NAFTA a.s. company with the registered office at Votrubova 1, 821 09 Bratislava, Company ID: 36 286 192, VAT ID:SK2022146599, incorporated in the Commercial Register of the District Court Bratislava I, Section: Sa, File No. 4837/B

“**Non-working Day**” means Saturday, Sunday, a recognized holiday or a rest day.

“**Order**” means (i) written order placed by Nafta and sent to the Counterparty by letter, fax, or e-mail to the Counterparty’s Address, or (ii) order placed verbally by Nafta and confirmed within 3 working days in written form of the Order sent to the Counterparty by letter, fax, or e-mail to the Counterparty’s Address.

“**Performance**” means any contractual performance, which the Counterparty is obligated to perform pursuant to the Contract.

“**Confirmation**” means confirmation of the Order by the Counterparty sent to Nafta by letter, fax, or e-mail to Nafta’s Address.

“**Protocol**” means protocol on acceptance/handover of the Performance signed by the Parties.

“**Counterparty**” means any legal entity or natural person, with which Nafta shall place the Order, or with which Nafta shall conclude a written contract.

“**Party**” means Nafta or the Counterparty. Nafta and the Counterparty jointly referred to as the “**Parties**”.

“**Force Majeure**” means circumstances that are independent of the will of the Parties and which exclude liability of the Parties pursuant to applicable legal regulations.

“**Contract**” means a contractual legal relation between Nafta and the Counterparty that shall emerge by confirming the Order through Confirmation or any contract stated in the written form.

3. ORDERS

3.1 Should the wording of the Confirmation anyhow differ from the wording of the Order, the wording of the Confirmation shall be binding for both Parties only if it is confirmed in writing by Nafta.

3.2 The Counterparty shall be entitled to accept the Order within 30 days from the date of sending thereof by Nafta to the Counterparty. Until Nafta has received the Confirmation, during such period Nafta shall be entitled to cancel or modify the Order.

3.3 The Counterparty shall not be entitled to transfer any of its rights or assign its receivables from the Order or from the Contract to a third party and neither to conclude with a third party any contract on assumption of debt arising from the Contract nor unilaterally set off any of its receivables against Nafta without Nafta's prior written consent.

4. PRICE

4.1 Unless the Contract stipulates otherwise, the Price shall be agreed as a maximum price (i.e. highest admissible for full implementation of the Performance by the Counterparty). Unless stipulated otherwise in the Contract, the Price shall not include VAT. VAT shall be invoiced in accordance with the valid generally binding regulations.

4.3 Unless stipulated otherwise in the Contract, the Price (regardless of any business practices otherwise common in the sector) shall cover all costs associated with the implementation of the Performance, in particular transportation costs, costs of unloading the goods in Nafta's warehouse, customs duty, other transport-related fees, fees related to product certification, administrative and similar fees collected by any public administration authority, as well as the price of Documentation.

4.3 If the price of transport and other services associated with implementing the Performance are not included in the Price, these shall be invoiced in the amount and in a manner agreed in the Contract.

5. PAYMENT TERMS

5.1 Unless stipulated otherwise in the Contract, the Counterparty shall furnish the Invoice to Nafta after implementing the Performance, within the period set out in the Contract, otherwise at the latest in 5 working days after implementing the Performance. Should the Invoice not contain the particulars pursuant to these Terms and Conditions, Nafta shall be entitled to return the invoice to the Counterparty without payment. In such case, the Invoice maturity period shall cease to lapse and the new maturity period shall commence from the date of receipt of

a corrected (new) Invoice meeting the requirements of generally binding legal regulations and these Terms and Conditions.

5.2 Unless stipulated otherwise in the Contract, or set out otherwise by the applicable legal regulations or a court or administrative order, payments shall be made in full, in Euros (EUR), and at the latest on the due date of the Invoice. Unless stipulated otherwise in the Contract, the Invoices shall be due in 60 days from the day of receipt thereof by Nafta.

5.3 The bank details of the Counterparty indicated on the Invoice must be identical with the bank details notified by the Counterparty. Otherwise, Nafta shall be entitled to return the Invoice to the Counterparty for removal of discrepancies, unless the Counterparty asks Nafta at the latest concurrently with sending the Invoice for a change of bank details by an official request signed by a person authorized to act on behalf of the Counterparty.

5.4 The settlement date of Nafta's financial obligation shall be the date the owed amount is debited from Nafta's account. Should, during the period of effect hereof, the Counterparty change the account number, to which Nafta is obligated to pay the owed performance but does not deliver notification to Nafta about such fact pursuant to the previous paragraph, Nafta's obligation shall be considered fulfilled regardless of whether the financial means are credited or not to the Counterparty's account.

5.5 Should the invoice due date fall on a Non-working Day, the Invoice shall be due on the next following working day.

5.6 Upon Invoice payment, Nafta shall bear solely the bank fees associated with the debiting of the owed amount from Nafta's bank account, charged by the bank where such bank account is held.

5.7 In case that, at any time after conclusion of the Contract:

- a) reasons occur at the Counterparty for cancellation of registration for value added tax under Section 81(4)(b)(2) of the Act No. 222/2004 Coll. on Value Added Tax, as amended (hereinafter the "VAT Act"), and/or the Counterparty is published in the relevant list of persons maintained by the Financial Directorate of the Slovak Republic, or

- b) the statutory body, a member of the statutory body or a partner of the Counterparty becomes the statutory body, a member of the statutory body or a partner of Nafta, or
- c) the Counterparty enters into the liquidation, or bankruptcy or restructuralization proceedings are commenced against the Counterparty

the Counterparty shall notify Nafta of this fact in writing within 3 days from occurrence of this fact. Should the Counterparty fail to notify Nafta in writing of any of the facts specified in (a), (b) and (c) above, Nafta shall be entitled to compensation of any damage due to Counterparty's failure to fulfill the notification duty, in particular, to compensation of value added tax which Nafta, as a guarantor, paid instead of the Counterparty pursuant to Section 69(14) and Section 69b of the VAT Act.

5.8 The Parties have also agreed that, if any of the facts specified in (a), (b) and (c) of 5.7 exists (is fulfilled) at the moment of conclusion of the Contract or arises (occurs) at any time after conclusion of the Contract, Nafta shall have the right to retain the sum equal to the amount of value added tax shown on the respective invoice from the due parts of the Price invoiced by the Counterparty.

5.9 Nafta shall pay the retention money to the Counterparty within 30 days from the moment when the Counterparty proves that the value added tax was paid to the tax office in the full amount.

5.10 In case that Nafta, as a guarantor pursuant to Section 69(14) and Section 69b of the VAT Act, pays the value added tax instead of the Counterparty, Nafta shall be entitled to satisfy its claim for compensation of performance - value added tax paid instead of the Counterparty - which thus arose to Nafta against the Counterparty, by setting off against the claim of the Counterparty against Nafta for payment of the retention money.

5.11 The Counterparty not having a tax domicile in the Slovak Republic shall be obligated to submit to Nafta, at the latest concurrently with the conclusion of the Contract, the officially verified confirmation by the respective tax (financial) authority on tax domicile (residency).

5.12 Should Nafta be obligated, pursuant to any double taxation avoidance treaty and/or treaty on prevention of income/property tax evasion between the Slovak Republic

and a country, in which the Counterparty resides, and Act No. 595/2003 Coll. on Income Tax, to withhold the tax, Nafta shall do so forthwith and shall reduce by such amount the payment made to the Counterparty.

5.13 In the event of payment of withholding tax in the territory of the Slovak Republic, Nafta shall send to the Counterparty the confirmation issued by the tax (financial) authority on payment of withholding tax in the territory of the Slovak Republic.

5.14 The Counterparty shall be responsible and shall not exercise towards Nafta any claims with respect to calculation, filing of reports and tax returns and payment of all tax liabilities of the Counterparty, including income tax, VAT, excise tax and other taxes, fees, contributions or applicable fines, penalties, or interest, to arise to the Counterparty as a result of the Contract as per any jurisdiction, within the Slovak Republic or outside of it.

6. TIME OF PERFORMANCE

6.1 Unless stipulated otherwise by the Contract, the Counterparty shall be obligated to initiate the implementation of the Performance without undue delay and to finish it within the agreed period.

6.2 If the Counterparty fails to implement the Performance within the period under paragraph 6.1, Nafta shall be entitled to request and the Counterparty shall be obligated, after receiving Nafta's invoice, to immediately pay the contractual penalty amounting to 0.05% of the Price for each day of default, and this within the due period indicated on the invoice.

6.3 Should the Counterparty fail to timely pay such contractual penalty exercised by Nafta pursuant to paragraph 6.2, the Counterparty shall be obligated to pay to Nafta late interest of 15% p.a. of the total unpaid portion of the contractual penalty.

6.4 Should there be a risk that the Counterparty does not implement the Performance within the period established according to paragraph 6.1, the Counterparty shall notify Nafta about such fact without undue delay, once the Counterparty learns about such fact. This notice shall specify the reasons for the delay in the Performance. The obligations of the Counterparty shall not be affected by the observance of the notification obligation.

7. PLACE OF PERFORMANCE AND DOCUMENTATION

7.1 Should the subject of Performance be the delivery of goods, the place of delivery of goods shall be the warehouse Láb UGS CA, 900 68 Plavecký Štvrtok.

7.2 Unless otherwise stipulated in the Contract or these Terms and Conditions, the terms concerning delivery of goods shall be governed by the international rules for the interpretation of INCOTERMS 2000 delivery terms.

7.3 Should the subject of Performance be the implementation of works, provision of services, or performance of a work, the place of handover of the Performance shall be the registered office of Nafta as recorded in the Commercial Register, unless a different location has been set out in the Contract.

7.4 The risk of damages to the Performance shall be transferred to Nafta after the acceptance of the Performance by Nafta.

7.5 Together with the Performance, the Counterparty shall deliver to Nafta the Documentation and any other additional documents requested by Nafta in the Order.

8. ACCEPTANCE OF PERFORMANCE

8.1 Should it be requested by any of the Parties, a protocol on the acceptance of the Performance shall be written down, which shall be signed by both Parties.

9. RESPONSIBILITY FOR DEFECTS, WARRANTY AND CLAIMS

9.1 The Counterparty shall be responsible for defects of the Performance at the moment the risk of damages is being transferred to Nafta, even should such defect manifest only later. The Counterparty shall be also responsible for any defect to occur before the moment or after the moment stated in the previous sentence, provided that it is caused by violation of the Counterparty's obligations.

9.2 The Counterparty shall not be responsible solely for those defects of the Performance, about which Nafta provably knew at the time of transfer of the risk of damages to the Performance to Nafta.

9.3 Should the Contract be violated by implementing the Performance containing defects, the Parties have agreed that Nafta shall exercise its claims resulting from the Performance's defects in the following order:

- a) it shall request, within the period established in writing by Nafta, the removal of defects by implementing a replacement or additional Performance and request the removal of legal defects,
- b) should the Counterparty fail to remove the defects of the Performance in a manner pursuant to point a) within the time period determined in writing by Nafta, it shall request, within the period determined in writing by Nafta, the removal of defects by the repair of the Performance, provided that the defects are repairable,
- c) should the Counterparty fail to remove the defects of the Performance pursuant to point a) within the period determined in writing by Nafta and should the defects be non-repairable, or in the event that the Counterparty, within the period determined in writing by Nafta, fails to repair the defects of the Performance pursuant to point b), Nafta shall be entitled to request an adequate Price discount pursuant to paragraph 9.16, or should the Counterparty fail to remove the defects of the Performance within the period determined in writing by Nafta pursuant to point a) and the defects are non-repairable, or in the event that the Counterparty does not repair the defects of the Performance within the period determined in writing by Nafta pursuant to point b), Nafta shall be entitled to withdraw from the Contract without providing any reason.

9.4 The Counterparty shall be obligated, at Nafta's request pursuant to paragraph 9.3, to send to Nafta without undue delay the proposed method of removing the defects, which will specify in particular the estimated time necessary for performing the procedures specified in paragraph 9.3 point a) or b), as well as the description of collaboration requested by Nafta for removal of defects and any other information that can be of significance for the procedure for removing the defects ("**Proposal**"). Within 10 working days from receiving the Proposal, Nafta shall be obligated to approve this Proposal, condition it by meeting of certain conditions, or refuse it. In the event of refusing the Proposal, Nafta shall be entitled to establish for the

Counterparty the additional period for submitting a new Proposal.

9.5 Nafta shall be entitled to exercise next claim under paragraph 9.3 even without Counterparty's approval in the event that the Proposal raises justified doubts in Nafta regarding the ability of the Counterparty to remove the defects in time.

9.6 Should the Counterparty notify Nafta in writing before the lapse of the period pursuant to paragraph 9.3, point b) that the Counterparty would not remove the defects, Nafta shall be entitled to withdraw from the Contract.

9.7 Until Nafta establishes a deadline for the removal of defects in accordance with paragraph 9.3, the Counterparty may notify Nafta that it shall remove the defects within a certain period. Nafta and Counterparty have agreed that if Nafta does not notify the Counterparty about its disapproval in writing within 5 working days after receiving such notice from the Counterparty, the period set out in the Counterparty's notice shall apply, which shall also have an effect of the period established by Nafta pursuant to paragraph 9.4.

9.8 Nafta may reduce the Price, or a part thereof, to be paid to the Counterparty based on the Invoices by the applied Price discount pursuant to paragraph 9.16. If Nafta already paid this Price, Nafta may request the refund thereof up to the amount of the applied Price discount pursuant to paragraph 9.16, together with interest amounting to 15% p.a. Similarly, Nafta shall be in any case entitled to set off any entitlement to a Price discount against any receivable of the Counterparty towards Nafta.

9.9 Until the defects are removed, Nafta shall not be obligated to pay that portion of the Price, which would correspond to Nafta's entitlement to a Price discount pursuant to paragraph 9.16 should the defects not be removed.

9.10 Nafta's claims resulting from the defects of the Performance shall not affect Nafta's claims for compensation of damages or contractual penalty or any other Nafta's claims not expressly provided for in these Terms and Conditions.

9.11 The Parties have agreed that the effects of the withdrawal from the Contract by Nafta shall arise even if

Nafta is unable to return the Performance, or a part thereof, in a condition, in which Nafta received it. The above shall not apply to a case of willful infliction of damage to the Performance by Nafta. Where, before the emergence of defects, Nafta has sold the Performance, or a part thereof, or the Performance has been totally or partially consumed, or modified in the common use thereof, Nafta shall be obliged to return to the Counterparty solely the Performance that has not been sold or consumed, and shall not be obligated to provide the Counterparty with any compensation for the consumed Performance.

9.12 Where the goods purchased by the Counterparty from a third party for repurchase thereof to Nafta are subject to warranty provided by such third party, the Counterparty shall be obligated to notify Nafta of all facts that could affect the exercise of claims for defects in such goods, in particular to notify Nafta in writing of the day, on which the warranty shall expire, and shall be obligated to submit to Nafta all documents that must be submitted in the event of exercising the claims for responsibility for damages.

9.13 A repair or replacement of a defective part of the Performance shall take place on DPP parity pursuant to INCOTERMS 2000, provided that the Contract does not stipulate otherwise.

9.14 Should quality warranty be provided by the Counterparty, the warranty period shall commence on the day of transfer of the risk of damages to the Performance to Nafta, provided that the Contract does not stipulate otherwise. The warranty period shall not pass during the period while Nafta cannot use the Performance due to defects thereof, for which the Counterparty shall be responsible.

9.15 Unless expressly stipulated otherwise in the Contract, Nafta shall be entitled to reject partial fulfilment of the Counterparty's obligation.

9.16 Where, under these Terms and Conditions, Nafta claims a Price discount, the Parties have agreed that upon determining the amount of the discount Nafta shall proceed particularly based on the assessment of the following facts:

- (a) costs and time, which Nafta shall have to spend on activities necessary for the Performance to become free of defects under the Contract,
- (b) value of the Performance, and

- (c) significance of the Performance to Nafta's economic activities and damages likely to be caused to Nafta due to defects in the Performance.

10. LIABILITY FOR DAMAGES AND OTHER PENALTIES

10.1 Nafta shall be liable for damages caused to the Counterparty by breach of the Contract up to maximum 50% of the Price. Nafta shall not be responsible for lost profit, lost income, or other indirect damages caused to the Counterparty in the event of breaching the Contract.

10.2 The Counterparty undertakes, as a separate and independent obligation, to indemnify Nafta for any responsibilities, obligations, losses, damages, penalties, claims, taxes (other than income taxes), liabilities, disputes and expenses to be incurred by Nafta and in any way relating to or arising from direct or indirect breach of any representation, warranty, or liability of the Counterparty pursuant to the Contract or these Terms and Conditions, maximum however up to 50% of the Price.

11. FORCE MAJEURE

11.1 Neither the Counterparty nor Nafta shall be obligated to perform the obligations pursuant to the Contract for the period of duration of Force Majeure.

11.2 In the event that a situation occurs under paragraph 11.1, the Counterparty shall be entitled to extend the Performance delivery or implementation deadline and Nafta shall be entitled to extend the maturity period of the Price for the duration of Force Majeure. A Party affected by Force Majeure shall be obliged to notify the other Party in writing without delay, otherwise it shall lose the entitlement to claim its rights under this paragraph.

12. OTHER PROVISIONS

12.1 Each provision of these Terms and Conditions shall be interpreted, if possible, in a manner as to be effective pursuant to valid legal regulations. However, should it be unenforceable under the valid legal regulations, the validity or enforceability of other provisions of this Contract or these Terms and Conditions shall not be affected by it, which shall remain binding and valid and effective in the full scope. In the event of such unenforceability, the Parties undertake to discuss in good faith as to agree on changes

or amendments to the Contract necessary for fulfilment of purposes of the Contract and shall replace any unenforceable provisions thereof.

12.2 The information contained in the Contract, information mutually exchanged by the Parties in connection with the Contract, with negotiations on conclusion thereof, as well as all information subject of business secret of any of the Parties and about which the second Party learns in connection with fulfilling the obligations under the Contract shall be strictly confidential and the Counterparty may not disclose or otherwise provide thereof to any third party and neither use it in conflict with the purpose thereof for such Party's needs without the prior written consent of the other Party. These restrictions shall not apply to the disclosure of confidential information to the advisers of the Party (e.g. auditors, lawyers), provided that the said advisers are bound by confidentiality obligation at least to the extent as specified in this paragraph. Furthermore, the Parties acknowledge that the disclosure of confidential information at a request of a public authority and where the Party is required to disclose confidential information under a generally binding legal regulation shall not constitute a breach of the provisions of this paragraph. The confidentiality obligation shall remain valid and in effect even after the lapse of validity and effect of the Contract. In addition to observing the aforementioned confidentiality obligations, upon providing any information to third parties relating to the Contract or the other Party, a Party shall proceed with due care and adequately so that the goodwill of the other Party is not damaged, directly or indirectly, so that the regulations on unfair competition pursuant to the Commercial Code are not violated and so that there are no such negative declarations made with regard to the goods or services of the other Party that would be potentially detrimental to the other Party.

12.3 Any changes or amendments to the Contract must be entered into in writing.

12.4 All written notices under these Terms and Conditions shall be filed by registered mail, express courier service, fax, or e-mail and shall be deemed duly delivered by their delivery to the concerned Party or by refusal to receive them, or in the event of fax delivery, following the confirmation of successful transmission to the recipient of the fax message, and this to Addresses indicated by the Parties in the Contract, order, and/or Confirmation.

12.5 Upon delivery/provision of the Performance to Nafta, the Counterparty shall be obligated to observe the legal regulations in the field of technical safety, occupational health and safety, fire protection, protection of public health, labour law, as well the internal rules and regulations of Nafta, with which the Counterparty has been provably acquainted.

12.6 These Terms and Conditions have been drawn up in the Slovak and English language with both versions of equal validity. In the event of any conflicts between these versions, the Slovak language version shall prevail.

12.7 These Terms and Conditions, as well as the rights and obligations arising from them, including assessment of their validity, as well as the consequences of their possible invalidity, shall be governed and interpreted primarily in accordance with the substantive law in force in the Slovak Republic, with the exclusion of its conflict rules and the conflict rules of the international law.

12.8 Should the provisions of the Contract be in conflict with these Terms and Conditions, the provisions of the Contract shall apply and have preference.

12.9 The Parties have agreed that all disputes resulting from the Contract, or in relation to it, to arise between them shall be preferentially solved by mutual agreement. Should the Parties fail to reach agreement, the disputes shall be finally resolved by the municipal court in the Slovak Republic with local jurisdiction based on Nafta's registered office.