

GENERAL TERMS AND CONDITIONS of ABC Food Machinery Ltd.

I. Introductory Provisions

- 1.1 The company ABC Food Machinery Ltd. with its registered headquarters at Nerudova 51, 821 04 Bratislava, Company ID#: 31 346 871, filed at Commercial register of County court Bratislava I., Section: Sro, file No.: 4742/B (hereinafter called as "**ABC Food Machinery**" only) issues these General terms and conditions for deliveries, services, and licences (hereinafter called as "**GTC**" only).
- 1.2 These GTC are an integral part of each contract where ABC Food Industry represents the vendor on one part and, on the other part, a natural person, sole proprietor, or a legal entity represents the client. The GTC are applicable until the relevant contract excludes their validity of some of their provisions. If deviating conditions from these GTC are agreed in the relevant contract, different provisions of the contract will take precedence over the provisions of these GTC.
- 1.3 These GTC and the legal relations between the company ABC Food Machinery as the seller or the services provider, on the other part, and the customer on the other part, are governed, in addition to the concluded purchase contract, contract for work or service contract and these GTC, also by the relevant legislation regulations in force in the Slovak Republic.

II. Definition of some terms

- 2.1 The terms indicated below shall mean in these GTC as follows:

Contractor / Vendor is the company ABC Food Machinery;

Customer is the person specified in a written document establishing the contractual relationship with ABC Food Machinery in accordance with the conditions below;

Subject of performance is the works performance and / or supply of goods within the sense of quotation by ABC Food Machinery;

Contract is a written document or several documents declaring the constitution of contractual relations) between the parties (e.g., written contract, confirmed order, confirmed quotation, order form) from which at least the following particulars are evident:

- a. identification data of the customer, i.e., in particular the name and surname, date of birth and place of residence for a natural person, and business name, registered headquarters, company ID# and representative / contact person;
- b. subject of performance, i.e., specification;
- c. price for the subject of performance or the way of determination thereof.

Commercial Code: The Act No. 513/1991 Coll. Commercial Code, as amended.

Civil Code: The Act No. 40/1964 Coll. Civil Code, as amended.

III. Quotation and conclusion of contract

- 3.1 The contract is concluded after confirmation of agreed terms in it. The subject of performance and its properties are always specified in the quotation by ABC Food Machinery; the advertising and information materials and the data contained therein are not binding.

IV. Delivery terms

- 4.1 The subject of performance shall be delivered to the customer within a period appropriate to the circumstances of the subject of performance, while the expected date of delivery will be specified in the contract. ABC Food Machinery is entitled to invite the Customer to take over the subject of performance even before the elapsed such a period and the customer undertakes to accept such an earlier delivery date.
- 4.2 If the assembly also includes assembly, the condition for starting the assembly is to meet the conditions for technical and construction readiness according to the special requirements of ABC Food Machinery and to ensure the possibility of connection to electricity. If the assembly conditions are not met after the deployment of ABC Food Machinery assembly technicians, ABC Food Machinery has the right to withdraw the technicians from the assembly and to charge for the transport costs from the ABC Food Machinery headquarters and reassembly.
- 4.3 ABC Food Machinery shall not be liable for non-compliance with the delivery deadline if the delay is caused by objective facts which cannot be prevented (including, but not limited to, strikes, lockouts, political and economic disruptions, lack of basic raw materials, material shortages, energy supply problems, traffic disruptions caused by roadblocks or unavoidable events affecting ABC Food Machinery or its subcontractors) or failure to provide the necessary cooperation or construction readiness on the part of the customer. The delivery period is extended by the duration of the obstacle according to the previous sentence. In the case of determining the fulfilment of the obligation as well as the expiration of the warranty periods.
- 4.4 Acceptance of the work is carried out based on a control test lasting 72 hours, on which a report will be prepared stating all measured parameters, the condition of the work, any defects in the work and the report will be signed by both parties. The Customer is obliged to take over the work within 24 hours from the performance of the control test, if the performed work met all parameters according to the relevant Slovak technical standard or European standard, respectively.
- 4.5 The Customer is obliged to check and carry out the inspection of the subject of performance, and to proceed with due professional care. If it finds out that the subject of performance is not delivered in accordance with the conditions agreed in the contract, it shall notify ABC Food Machinery of this fact and state it in the Acceptance Protocol. If it fails to do so, he may claim defects found during this inspection only if he proves that these defects existed already at the subject of performance at the time

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of its taking over.

- 4.6 If the Customer does not accept the work within the period specified in point 4.4, or does not for a reason sign the acceptance protocol pursuant to this paragraph, it shall be deemed that he has accepted the work without reservations.

V. Property right and transfer of risk of damage

- 5.1 The rights in property regarding the used material and technologies pass on the customer at the moment of accomplished payment of the agreed price. The attachment of risk to the customer is given at the moment of acceptance of work by the same or at the moment when the customer should have accepted the work, but it did not take over for reasons on its part.
- 5.2 If the work consists in services to be provided, the customer has the property rights to technologies to be serviced and the same carries the risk of damage on them. If ABC Food Machinery uses its own spare parts when carrying out service work, the ownership right to them and the risk of damage to them pass on the customer at the time of installation.
- 5.3 If the acceptance of the subject of performance is conditional on the function tests or accuracy test, so they always shall be carried out ahead of handing over of the said subject of performance to the customer. There is no obligation for the ABC Food Machinery to carry out the tests as stated in the foregoing sentence in such a way not meeting the legal regulations in force on the place of performance as well as the technical standards, and common practice.

VI. Responsibility for defects and warranty

- 6.1 The company ABC Food Machinery is liable for defects of the subject of performance during the acceptance procedure as well as for those occurring after the acceptance during the warranty period if such defects were caused by the said company's obligation breach.
- 6.2 The warranty period for the work lasts twelve months and starts running on the day of handing over the work. The warranty period applicable to the material and technologies used being integral part of the work is set forth by the respective manufacturer and may deviate from the period specified above in this point.
- 6.3 The company ABC Food Machinery shall not be liable for defects on work in case if such a defect arose because of inappropriate material made available by the customer if ABC Food Machinery, even due diligence, hasn't been able to determine of this material or the same company notified the customer of the unsuitability of such material, but the customer still insisted on its use. At the same time, the company ABC Food Machinery is not liable for defects caused by the observation of incorrect instructions given by the customer if ABC Food Machinery notified the customer and the customer insisted on observation

thereof, or if ABC Food Machinery could not be aware of the unsuitability of such customer's instructions.

- 6.4 The customer is to notify the company ABC Food Machinery without undue delay of any defects ascertained by it during the warranty period, and that in writing or in person at the premises of ABC Food Machinery. For any claims of the customer from the defects of the subject of performance the provisions of the Commercial Code apply mutatis mutandis.
- 6.5 The company ABC Food Machinery is not liable for below specified defects and the following shall not be deemed as defects:
- a) an exclusion of applicability of warranty by the manufacturer of technology as specified in the warranty document;
 - b) if the failure to function arises from the elapsed service life of a part or integral part of technology the service life of that is structurally and technically restricted. In such cases, a failed functionality or any failure caused by manufacturing, technical or structural faults shall be deemed a defect;
 - c) if a failed functionality (failure) arises from the damage caused on a thing (in particular crash, incorrect storage, unprofessional intervention, use of such accessories or parts not approved by the manufacturer, non-observation of prescribed, recommended actions or usual practice and inspections);
 - d) if a failed functionality (failure) arises from the excessive power or overload of the technology.

VII. Price and terms of payment

- 7.1 Unless specified otherwise, the price for the subject of performance is understood "ex Works" (EXW) as per Incoterms 2020 excluding the valid VAT.
- 7.2 Unless specified otherwise, the customer shall pay the price as follows: 70% of the total price including VAT based on the pro forma invoice within the due period as specified herein; the balance amounting 30% of the total price including VAT within a 14-days-delay after the acceptance of the work.
- 7.3 In case of the customer's delay with its financial obligation, the company ABC Food Machinery shall be entitled to the default interest amounting 0.03% of the due sum for each day of delay. The above does not affect the right to compensation for ABC Food Machinery. The company ABC Food Machinery is also entitled to reimbursement of all costs related to the recovery of its claim and costs related to the provision of legal assistance from the customer, in particular.
- 7.4 The company ABC Food Machinery reserves the right for unilateral price modification, and that in case of amended generally binding legal regulations having influence on the pricing (tax, customs and other regulations), amended price specified by the manufacturer and/or importer of technologies or amended local currency exchange rate, applied to the pricing. ABC Food Machinery undertakes to notify the customer of such alterations without undue

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delay.

- 7.5 If in course of performing works the company ABC Food Machinery ascertains that an extended scope of works or supplementary material if compared to the agreed scope is needed for a proper execution of the work or if the basis for calculating the price undergoes changes (taxes, fees, customs etc., in particular) and such circumstances may cause an increase by more than 5%, so the company ABC Food Machinery is to inform the customer about it and to set up further proceeding. The company ABC Food Machinery is not obliged to continue at work until an agreement is reached. If in case as specified in the first sentence the price for the work to be executed increases by less than 5%, no consent of customer is required but ABC Food Machinery shall invoice the increased price.
- 7.6 In the event that after the ABC Food Machinery has provided all or part of the material for the performance of the contract, the client encounters obstacles to the performance of the contract or the performance is delayed by more than 5 working days, the ABC Food Machinery shall be entitled to invoice for such material regardless of the further progress of the performance of the contract.

VIII. Intellectual property rights and licensing agreement

- 8.1 If ABC Food Machinery delivers goods or work together with the respective software to control the delivered work (hereinafter called as “**Software**” only), in line with the legal regulations, all rights to the Software are owned by the company ABC Food Machinery being the executor of property rights or within the extent of licences granted to it by third persons for the particular software parts.
- 8.2 The company ABC Food Machinery being the licensor to the software shall grant a restricted, personal, non-exclusive license to use the software to the customer (hereinafter called the “**Licence**” only). The subject of the granted licence DOES NOT INVOLVE the right to intervene in the software and/or make derivative work from it or any part thereof, nor the right:
- a) to modify the software in a wider extent than it is possible through the user interface made available of the software,
 - b) to decompile or decrypt back the source code of the software,
 - c) to make copies or derivatives of the software.
- 8.3 Unless stated otherwise, any plans, drawings, calculations with regard to the work or to the goods delivered are the intellectual property of ABC Food Machinery and serve for the execution of work or the correct delivery of goods and the customer is not entitled to use it for another purpose.

IX. Withdrawal from the contract

- 9.1 ABC Food Machinery is entitled to withdraw from the contract if:
- a) the customer, despite the written notice by the vendor did not provide the latter with the necessary cooperation for the proper execution of the work; or

- b) the customer is in arrears with the advance payment by more than 5 days; or
- c) the customer is in arrears with payment of any part of the price by more than 5 days; or
- d) no agreement on the continuation in case of price increase by more than 5% may be reached even within 10 days in line with the point 7.5.

9.2 Besides the events as specified in the paragraph 9.1 the withdrawal from the contract is governed by the provisions of the Article 344 and foll. of the Commercial Code.

9.3 The withdrawal from the contract is to be in the written form and served to the other party. Withdraw from the contract will be effective on the day of its service to the other party.

X. General and closing provisions

- 10.1 To any relation not governed by the contract or these GTC that arose between the company ABC Food Machinery and the customer, who is the consumer or user, the provisions of the Civil Code for the relevant type of the contractual relation depending on the character and extent of the subject of performance as well as the Consumer Protection Act apply. To any relation not governed by the contract or these GTC that arose between the company ABC Food Machinery and the customer, who is a business entity, the provisions of the Commercial Code for the relevant type of the contractual relation depending on the character and extent of the subject of performance apply.
- 10.2 Any irregularities and disputes arising in connection with the contract will be resolved preferably by mutual agreement of the parties. In the absence of such an agreement, all disputes will be finally settled through the competent court of the Slovak Republic.
- 10.3 These GTC are binding from the date of their adoption by ABC Food Machinery and replace all previous GTC. ABC Food Machinery reserves the right to change these GTC.
- 10.4 By signing the contract, the customer confirms having read these GTC, and being acquainted with their content and agrees with them in full.

Given in Bratislava, on 17.1.2023

ABC Food Machinery Ltd.

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Managing Director