

General Terms and Conditions for individual written contracts concluded with entrepreneurs and legal entities

(hereinafter referred to as "**Terms and Conditions**")

of **CAN SUPERCONDUCTORS, s.r.o.**, a limited liability company incorporated and existing under Czech law, ID No.: 256 20 312, VAT No.: CZ25620312, with registered office at Kamenice, Rinhofferova 66, Postal Code 251 68, registered in the Commercial Register of the Metropolitan Court in Prague, file no. C 55429 (hereinafter referred to as "**CAN**" or the "**Seller**")

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1. General provisions

- 1.1. These Terms and Conditions are an integral part of all contracts concluded between CAN and entrepreneurs or legal entities in written form within the scope of CAN's business activities, in accordance with Section 1751 of Act No. 89/2012 Sb., the Civil Code, as amended (hereinafter referred to as the "**Civil Code**"). Any deviating provisions in the relevant contract shall prevail over the wording of these Terms and Conditions.
- 1.2. These Terms and Conditions apply to all individual written contracts (not contracts concluded via the e-shop) concluded between CAN and persons who are Entrepreneurs within the meaning of Section 420 of the Civil Code (natural persons or legal entities) and Legal Entities that do not carry out business activities (e.g. research institutes, universities, associations, etc.). Contracts concluded with Consumers and contracts concluded with Entrepreneurs and Legal Entities via CAN e-shop at <https://shop.can-superconductors.com> are not subject to these Terms and Conditions, but to CAN's [General Terms and Conditions for e-shop](#).
- 1.3. The text of these Terms and Conditions is publicly available on CAN's website at www.can-superconductors.com under the link "Business Terms and Conditions" and can be downloaded via the "Download" icon.
- 1.4. Any contract concluded in accordance with these Terms and Conditions is referred to herein as the Purchase Contract (or "Contract"). This may also include, for example, a contract for the provision of services. In such a case, "goods" under these Terms and Conditions includes services.
- 1.5. For the purposes of these Terms and Conditions, "Parties" mean the parties to a Purchase Contract between CAN as the Seller and an Entrepreneur or Legal Entity as the Buyer. For the purposes of these Terms and Conditions, the written form is deemed even if such legal action, communication, or notification is made via email.

2. Contract

- 2.1. The legal relationship between CAN and the Buyer is based on individual purchase contracts, which are concluded in the form of individual written contracts.

- 2.2. Based on the Buyer's order, CAN prepares a draft Purchase Contract, which is sent to the Buyer together with these Terms and Conditions. If the Buyer agrees with the draft Purchase Contract, they send it back to the Seller (email exchange is sufficient) with the signature of the person authorized to sign the contract on behalf of the Buyer. If CAN receives such a signed draft Contract back from the Buyer, it shall secure the signature of the person authorized to sign the Contract on behalf of CAN and return the Contract containing the signature of both parties to the Buyer, thereby confirming the conclusion of the Contract. At this point, the Contract is concluded.
- 2.3. The signatures of the authorized persons must be made either electronically (e.g. DocuSign, a qualified electronic signature of a PDF document) or in handwriting (while scans of such hand-signed contract in a PDF file are sent).
- 2.4. Each Purchase Contract concluded in this way individually establishes a separate legal relationship, which will be governed by these Terms and Conditions in addition to the provisions of the respective Purchase Contract.

3. Delivery Conditions

- 3.1. The delivery date is agreed in the Contract.
- 3.2. CAN shall arrange for delivery of the goods to the Buyer at the place specified in the Contract as the Place of Delivery. If the Contract does not specify any Place of Delivery, the Place of Delivery shall be the Buyer's address specified in the Contract.
- 3.3. The cost of delivery always depends on the size and nature of the goods. Unless otherwise agreed in the Contract, the cost of transport and any insurance of the goods shall be determined by the Seller and paid by the Buyer.
- 3.4. Unless otherwise agreed in the Contract, the delivery of the goods to the Buyer is deemed to be the handover of the goods to the first carrier. Upon delivery of the goods, the risk of damage to the goods passes to the Buyer.
- 3.5. The Seller is obliged to deliver the goods to the Buyer in the agreed manner, properly packed and, where applicable, equipped with the necessary documents.
- 3.6. Before taking delivery of the goods, the Buyer is obliged to check the integrity of the packaging of the goods and immediately notify the carrier of any defects. A report of defects will be drawn up. If a defect report is not drawn up, the Buyer loses any claims arising from the defective packaging of the goods.
- 3.7. Immediately upon receipt of the goods, the Buyer is obliged to inspect the goods, in particular to check the number of pieces of goods and their completeness. In the event of a discrepancy, the Buyer shall notify the Seller without undue delay, but no later than two (2) working days after receipt of the goods. The Buyer shall document the defects found in a suitable manner and send such documentation to the Seller together with the defect notification.
- 3.8. The Buyer acquires ownership of the goods by paying the full purchase price, but not before taking possession of the goods.
- 3.9. The Buyer's failure to accept the goods shall not affect the Seller's right to demand payment of the purchase price, the price of transport of the goods and any other costs reasonably incurred in full.

4. Price of Goods

- 4.1. The price of the goods is set by the Seller, and it will be stated in the Contract. The price of the goods already includes the cost of packaging.
- 4.2. The price of the goods is normally subject to VAT in the amount according to the currently applicable regulations of the Czech Republic. This does not apply:
 - a) in the case of supplies outside the EU, where the goods are exempt from Czech VAT. All taxes, duties and charges in the country of destination outside the EU are then borne by the Buyer.
 - b) If the Buyer is a registered VAT payer based in the EU (except for the Czech Republic). The Buyer must provide a valid VAT number, which can be verified in the VIES system so that the VAT is not charged by the Seller.
- 4.3. The Buyer acknowledges that in the event that the Czech VAT is charged and paid by the Buyer to the Seller, the Seller cannot refund the VAT to the Buyer.

5. Payment Terms

- 5.1. The Buyer is obliged to pay CAN the price of the goods including any transport before the goods are shipped to the Buyer, unless otherwise expressly agreed in the Purchase Contract.
- 5.2. The Buyer is obliged to pay the purchase price for the goods to the Seller in the manner agreed in the purchase contract.
- 5.3. The Seller is entitled not to allow payment of the goods after delivery. This method of payment is usually reserved for regular customers. Unless otherwise agreed, the invoice is sent electronically to the Buyer's e-mail address specified in the Purchase Contract.
- 5.4. The Buyer's obligation to pay the price of the goods is fulfilled in the case of a non-cash payment at the moment of crediting the relevant amount to the Seller's account.
- 5.5. In the event of non-compliance with the due date specified on the relevant invoice, the Buyer may be charged interest on the overdue amount at the rate of 0.05% of the amount due for each day of delay. The Seller's right to compensation for damages caused by the Buyer's delay shall not be affected.
- 5.6. In the event of default by the Buyer in payment of the price of the goods, the Seller is also entitled to suspend further agreed deliveries of the goods until all outstanding debts of the Buyer have been paid.
- 5.7. The Buyer acquires ownership of the goods by paying the full purchase price, but not before taking possession of the goods.
- 5.8. The Buyer's failure to accept the goods shall not affect the Seller's right to demand payment of the purchase price in full.

6. Withdrawal from the Contract by the Buyer

- 6.1. Where the Subject of the Contract is the purchase of goods available in stock at the time of acceptance of the order by the Seller, the Buyer shall be entitled to withdraw from the contract if the Seller is in default of delivery of the goods for more than three (3) weeks from the agreed date of delivery, unless otherwise agreed in the Contract.

- 6.2. If the Subject of the Contract includes custom-made goods, the Buyer is entitled to withdraw from the contract if the Seller is in default of delivery for more than three (3) months from the agreed delivery date, unless otherwise agreed in the Contract.
- 6.3. The Buyer is not entitled to withdraw from the Contract according to Art. 6.1 a 6.2 in cases where the delay in delivery of the goods to the Buyer is caused by the carrier.
- 6.4. The Buyer is not entitled to withdraw from the Contract in respect of goods that have been delivered properly on time and without defects.
- 6.5. Withdrawal from the Contract must be made in writing. Withdrawal from the Contract is effective upon delivery of the notice of withdrawal to the Seller. If the Buyer has already paid the purchase price in full or in part, the Seller shall return the amount received to the Buyer to the account from which the Buyer made the payment. CAN shall return the money within five (5) working days of the withdrawal from the Purchase Contract.

7. Withdrawal from the Contract by CAN

- 7.1. The Seller shall be entitled to withdraw from the Contract if the Buyer is in default of payment of the purchase price of the goods for more than three (3) weeks.
- 7.2. The Seller also reserves the right to withdraw from the contract in the following cases:
 - (i) the goods cannot be delivered under the original conditions for objective reasons (mainly because the goods are no longer manufactured);
 - (ii) if in the course of processing an order for goods manufactured to the Buyer's custom order, it becomes apparent that the goods cannot be manufactured to the required quality, while this could not reasonably have been expected in advance.

If any of the aforementioned events occur, the Seller will inform the Buyer of the Withdrawal from the Contract without delay. The Withdrawal shall be effective against the Buyer when delivered to the Buyer. If the Buyer has already paid the Purchase Price in full or in part, the Seller shall refund the amount received to the Buyer to the account from which the Buyer made the payment within five (5) working days of the Withdrawal from the Purchase Contract.

8. Rights arising from Defective Performance and Complaint Procedure

- 8.1. The Buyer's rights arising from defective performance are governed by relevant generally binding legal regulations, in particular the Civil Code.
- 8.2. If a defect is found, the Buyer is obliged to file a claim with the Seller without undue delay after the defect is found. In this case, the Buyer must inform the Seller in writing and describe the defect and/or how the defect manifests itself.
- 8.3. Together with the notification of the defect, the Buyer shall choose the method of resolving the complaint in accordance with the applicable legal regulations. If he fails to do so, the Seller shall decide on the above. The chosen method of resolving the complaint can only be changed after an agreement with the Seller. If the Buyer considers the defect to be a material breach of Contract, he is obliged to provide the Seller with a proof of this.
- 8.4. The Buyer acknowledges that until he/she exercises his/her right to a discount on the purchase price or withdraws from the Contract, the Seller is entitled to deliver missing goods.

8.5. The Buyer shall deliver the claimed goods to the Seller in the manner and place specified by the Seller, while when sending the goods back to the Seller, the Buyer is obliged to pack the goods in suitable packaging so as not to damage or destroy them.

8.6. The moment of the claim filing is the moment when the Seller receives the goods being claimed.

9. Protection of Trade Secrets and Business Policy of the Seller

9.1. During the negotiation of the Contract and its performance, information may be disclosed to the Buyer that is marked as confidential or whose confidentiality is due to its nature. In particular, the Buyer undertakes to:

- (i) kept such information confidential;
- (ii) not to disclose such information to any other person without the Seller's consent;
- (iii) not to use such information for any purpose other than the performance of the Contract;
- (iv) not to take advantage of such information in any other damaging way.

10. Applicable Law and Dispute Resolution

10.1. Relationships arising under contracts concluded between CAN and the Buyer (including these Terms and Conditions) shall be governed by and construed in accordance with the laws of the Czech Republic, in particular the Civil Code. The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply in accordance with Article 6 thereof.

10.2. Any disputes arising from contracts concluded between CAN and the Buyer shall be resolved exclusively by the locally competent courts of the Czech Republic.

11. Final provisions

11.1. If any provision of the Terms and Conditions is or becomes invalid or ineffective or unenforceable, such invalid provision shall be replaced by a provision whose meaning is as close as possible to the invalid provision. The invalidity or ineffectiveness or unenforceability of one provision shall not affect the validity of the other provisions. Amendments to the Contract or the Terms and Conditions shall only be made in writing.

11.2. CAN reserves the right to amend these Terms and Conditions at its sole discretion. Amendments or supplements to these Terms and Conditions will not apply to Contracts entered into prior to the effective date of such amendment or supplement.

11.3. These Terms and Conditions shall take effect on February 14, 2024.