

**Exhibit 1
General Terms of Business (Terms)**

1. Introduction

- 1.1 The present Terms form an integral part of the Master Supply Agreement entered into by and between the Customer and the Supplier (“**Master Agreement**”). Any reference to the Master Agreement includes references to any and all terms and documents incorporated therein by reference, in particular the present Terms.
- 1.2 The Master Agreement regulates the rights and obligations of the parties to the Master Agreement, setting the terms and conditions governing the purchase and sale of Supplier's Goods and delivery thereof to the Customer under the Individual Contracts.
- 1.3 The Supplier delivers and sells to the Customer the Goods and parts and accessories thereof and grants to the Customer licenses, and the Customer purchases and takes possession of the Goods from the Supplier, for the purchase price set in the Individual Contracts.
- 1.4 **Priority of Interpretation:**
The rights and obligations ensuing from the Master Agreement apply to the legal relations arising out of the Individual Contracts. Except where the Master Agreement explicitly provides otherwise, the Master Agreement has priority over the Individual Contracts and the rights and obligations ensuing from the Individual Contracts may not therefore vary from that agreed in the Master Agreement. No variation of the Master Agreement and/or terms thereof, including the present Terms, is valid unless it is in writing and signed by or on behalf of the Customer's director or head of procurement.

2. Individual Contracts

- 2.1. The parties agree that a request for, and submission of, quotation does not give the Supplier a right to claim reimbursement of costs from the Customer, yet it gives the Customer a right to order the Goods for the price stated in the quotation.
- 2.2. The Individual Contracts will be executed upon orders, which orders will be either emailed by the Customer to the Supplier or placed in the Supplier's B2B Order Management system to which the Supplier will set up and provide to the Customer the necessary number of access codes. The Individual Contracts are executed if the order is not rejected by the Supplier by noon of the following business day (i.e. after the date specified in the message sent by the Customer).

3. Supplier's Representations and Warranties

- 3.1. The Supplier represents and warrants to the Customer as follows:
- 3.1.1. The following representations and warranties as well as the information provided under the Master Agreement are true, correct and complete and there are no circumstances that could be in conflict with the representations and warranties given.
- 3.1.2. The Supplier has all requisite capacity, power and authority to execute the Individual Contracts, perform its obligations thereunder and complete the contemplated sale properly and in due time, assuming the risk of hardship.
- 3.1.3. All prerequisites for executing the Individual Contracts have been met, which prerequisites include, without limitation, the making of accurate and complete representations, warranties and agreements prescribed by law.
- 3.1.4. Execution of the Individual Contracts does not constitute a breach of any of Supplier's obligations under relevant regulation, binding contract, agreement or arrangement, nor does it conflict with any order, decision or interim injunction issued by court or administrative agency or arbitration binding the Supplier or violates any third-party rights.
- 3.1.5. The Supplier is not bankrupt, does not face bankruptcy and no involuntary petition and/or other pleading seeking the entry of a decree or order for relief has been filed against the Supplier.
- 3.1.6. The Goods suffer from no legal defects, and in particular, but without limitation, are not encumbered by a lien, lease, other right of use or any other right of a third party.
- 3.1.7. The Goods and related taxes, fees or charges have been duly paid (except where the Terms provide otherwise). The Goods have been cleared and can be distributed in the EU and EEA countries.
- 3.1.8. The Goods have been properly labelled and packed in their original and undamaged packaging and include all manuals, instructions, technical specifications, warranty certificates, certificates of conformity, graphic instructions and information documents, whether in paper or electronic form (.pdf), in the relevant languages of the countries of final destination, as well as any parts and accessories. The Goods are and will be delivered unused and non-faulty, with all original brand tags attached, and their characteristics will meet the Customer's reasonable expectations.

- 3.1.9. The Supplier owns all right, title and interest in and to any marketing and other materials provided by the Supplier allowing the Supplier to provide the marketing and other materials to the Customer, without limiting the rights of any third party; all information in such marketing and other materials is true and in accordance with the law.
- 3.1.10. Where requested by the Customer, the Supplier will provide the Customer with 1 piece of each requested type of Goods per calendar year, for the price of CZK 1 excluding VAT, which item will be displayed in every Customer's showroom.

4. Terms of Delivery, Other Terms

- 4.1. The Supplier agrees to deliver the Goods as detailed in the supplier guidelines ("**Guidelines**"), which Guidelines are available at <https://www.alza.cz/EN/pokyny-dodavatelum-pro-prijem-noveho-zbozi>. The terms of delivery are specified in the present Terms. The Guidelines lay out the technical requirements for the delivery and serve as guidance in matters not covered hereby. The Customer may make changes to the Guidelines from time to time, which changes are communicated by the Customer to the Supplier at the latest 5 business days before the effective date of the updated Guidelines.
- 4.2. Each delivery must include at least a despatch note stating the type and quantity of the Goods delivered. The despatch note must include the respective order reference, specification of the Goods, batch number and/or best before/use-by date.
- 4.3. The Goods must comply with applicable standards and regulations of the country of final destination (including the language requirements for user instructions). The Supplier is held liable for any damage caused by the Goods not complying with the applicable standards and regulations of the country of final destination.

Definitions and Interpretation

- 4.4. The terms and definitions below are the core terms governing the delivery of the Goods, with the individual processes being outlined and explained in the Guidelines.
- 4.5. **Goods** are the items ordered under the Individual Contracts (for instance, 100 pieces of iPhone 13 512 GB Midnight).
- 4.6. **Sets/bundles** are any Goods which consist of 2 or more different articles classified as a single trade item (for instance, a notebook + mouse).
- 4.7. **Logistic units** are the Goods packaged together for transport and storage. They take many forms (for instance, parcels or pallets being delivered by the Supplier to the Customer and stocked). The Supplier agrees not to exceed the size and weight limits for deliveries/individual logistic units set in the Guidelines. Each individual logistic unit must state clearly the respective order reference (OB...) and be SSCC labelled:
- a) **parcel;**
 - b) **pallet; and**
 - c) **bulk (large and bulky goods).**
- 4.8. **Packaging** protects the Goods against dust or damage during handling. The Supplier must ensure that the Goods are adequately protected against damage during handling, that is, ensure that the Goods are suitably packed.
- 4.9. **Loading (unloading) instructions** are the Customer's instructions to be followed by the Supplier for the Goods to be properly delivered and accepted by the Customer, that is, for the Goods to be unloaded (stocked) at the delivery location. Suppliers materially breaching the instructions are liable to penalties specified below.

Material Breach of Instructions

- 4.10. Where the Supplier materially breaches the loading (unloading) instructions laid out in the Guidelines (for instance, delivers the Goods packed other than as specified in the Guidelines or makes a delivery without an accompanying invoice) and the Goods therefore cannot be unloaded and/or stocked at the delivery location during the time slot booked in the system (<https://gatebooking.alza.cz/>), the Customer has the right to refuse the delivery and return the Goods to the Supplier (that is, cancel the respective Individual Contract) and get a refund for the purchase price from the Supplier, at the same time the Customer has the right to charge the fee for breach of the Guidelines (for the avoidance of doubt, the right to cancel the respective Individual Contract and the right to payment of the fee for breach of the Guidelines are independent of each other and the Customer may exercise only one of them or both). The costs associated with returning the Goods are borne by the Supplier.
- 4.11. Where the material breach referred to in Clause **Error! Reference source not found.** hereof relates to a substantial part of the delivery, the Customer has the right to return the entire delivery of the Goods to the Supplier.

- 4.12. Within 5 days following a notice in writing from the Customer, the Supplier must collect the returned Goods from all the delivery locations indicated in the Customer's notice; or from all the delivery locations to which the Goods have been delivered. Within 10 days thereafter, the Supplier must issue to the Customer a credit memo for the price of the Goods returned by the Customer; and immediately thereafter, however, no later than within 5 days following the collection of the Goods, inspect the returned Goods and report to the Customer any damage to the Goods returned. Where this time limit expires to no effect, the Supplier loses its right to compensation.

Return Orders

- 4.13. The parties agree that the Customer has the right to return to the Supplier and get a refund for the purchase price paid (that is, cancel the respective Individual Contracts) for any Goods not sold within 3 months after being delivered by the Supplier to the Customer. The process of returning the Goods referred to in Clause 4.12 hereof applies *mutatis mutandis*.

Price Drop

- 4.14. Where the list price for any Goods drops within 4 months after the Goods are delivered by the Supplier to the Customer, the Supplier must give the Customer a discount on the Goods, which discount will be equal to the balance between the list price and the dropped price for the Goods in stock. The discount will be provided in the form of a credit memo issued by the Supplier or in the form of a refund received by the Customer from the Supplier, within 3 business days after the respective list price drops. The credit memo, if any, will contain the wording: "price drop [Goods specifications]".

EDI

- 4.15. The Supplier is required to implement an identical or similar SW intermediary compatible with the Customer's EDI solution and do so within 1 month after entering into the Master Agreement, unless explicitly stated otherwise. EDI is a method for exchanging VAT invoices and other documents (for instance, despatch advice messages) between trading partners. The Supplier is required to submit all VAT invoices and other documents via EDI. Every time the Supplier submits the respective document other than via EDI, the Customer has the right to charge the EDI fee. The Supplier may also send the EDI files via the web interface.

5. Passing of Risk, Ownership of Goods, Faulty Goods

- 5.1. The Goods remain at the Supplier's risk, and the Supplier retains ownership of the Goods, until the Goods come into the physical possession of the Customer, that is, until the delivery is acknowledged on the despatch note by Customer's staff in charge. Such acknowledgment serves only to determine the moment the risk passes from the Supplier to the Customer; by acknowledging the delivery, the Customer in no way acknowledges that the Goods are fault free.
- 5.2. Within 10 days following the delivery, the Customer is required to inspect the Goods and report any defective products to the Supplier in writing. The Customer reserves the right to have its claims acknowledged within that time limit, even with respect to the Goods which have been accepted by the Customer from the Supplier without reservation.

6. Price and Payment

- 6.1. The purchase price will be paid within the time limits specified in the Master Agreement (in the column titled "Payment"), by bank transfer, into the Supplier's bank account shown on the respective invoice. The VAT invoice, along with the despatch advice message, will be issued by the Supplier and submitted to the Customer in electronic form via EDI no later than when the Goods are delivered. Where the Supplier is exempted by the Customer from the obligation to submit the VAT invoices and other documents via EDI, the Supplier agrees to submit the VAT invoices and other documents to the following email addresses:
- a. VAT invoices: sklad@alza.cz;
 - b. price credit memos: cenove.dobropisy@alza.cz;
 - c. RMA credit memos: rma.dobropisy@alza.cz; and
 - d. credit memos for undelivered, damages or returned products: to the email address of the relevant warehouse facility (delivery location) or relevant buyer (Customer's staff member).
- 6.2. The Supplier agrees to deliver and invoice the Goods for the net prices agreed by and between the parties, which prices are valid at the moment the respective Customer's order is placed ("**Prices**"). The Supplier agrees to guarantee the Prices from the moment the Goods are ordered by the Customer, until the Goods are delivered by the Supplier to the Customer.

- 6.3. In the absence on the Prices agreed by and between the parties as referred to in Clause 6.2 hereof, the Supplier agrees to give the Customer a discount on each Goods delivery as specified in the Master Agreement (in the column titled “Discount”), that is, give a discount on the total purchase price for the Goods invoiced to the Customer excl. VAT. The parties agree that the Supplier must notify the Customer about any price increase in advance before the changes take effect, within the time limit specified in the Master Agreement (in the column titled “Discount”). Where the Supplier fails to notify the Customer in compliance herewith, the pricing agreed by and between the parties prior to the contemplated price change applies.
- 6.4. The Price agreed for the Goods includes all costs of the Supplier related to the delivery of the Goods to the Customer, including the costs of transport, packaging and storage, and all services provided by the Supplier to the Customer in connection with the delivery of the Goods to the Customer.
- 6.5. The Supplier agrees to provide the Customer with a VAT invoice, which VAT invoice will be submitted together with the despatch note no later than when the Goods are delivered. Any and all VAT invoices and other documents issued must meet the statutory and regulatory requirements set for VAT invoices and other documents, with electronic VAT invoices and other documents bearing the advanced electronic signature or advanced electronic seal or being issued by electronic data interchange (EDI).
- 6.6. Any VAT invoices and other documents failing to contain all the statutory requirements or all required annexes and supporting documents, or containing incorrect information, may be returned to the issuer before their due date. A new due date will be set, which due date will follow the delivery of a corrected invoice/document.
- 6.7. Any payments will be made by bank transfer, into the bank account of the other party shown on the VAT invoice or other document, with a payment reference (in Czech: *variabilní symbol, abbreviated VS*), which payment reference is the number of the VAT invoice or other documents issued for the payment. The obligation to pay is fulfilled when the amount of payment is debited from the payee's bank account in favour of the beneficiary's bank account.
- 6.8. The parties agree that their mutual claims of the same type enforceable in a court of law will primarily be settled by unilateral set-off, unless otherwise agreed.
- 6.9. Where either party is late in performing its financial obligations towards the other party, the other party may – and has the right to – claim a late payment penalty specified in the Master Agreement (in the column titled “Late Payments”), which penalty must be paid by the liable party within 14 calendar days of the request for payment.
- 6.10. The parties represent and warrant that as at the day of entering into the Master Agreement they are not an unreliable payer within the meaning of Act No. 253/2004 Sb., the VAT Act, as amended, and that the bank account they use for any payments made under the Individual Contracts has been registered with the respective tax authority within the meaning of the VAT Act and the bank account number is published by the tax authority in a manner enabling remote access. The parties must keep these representations and warranties true throughout the term of the Individual Contracts, the Master Agreement and the Terms. Where either party becomes an unreliable payer or the number of the bank account used for the payments made under the Individual Contracts is no more published by the tax authority for reasons attributable to the respective party, the other party has the right to make a payment for VAT charged on the consideration received directly to the account of the tax authority and do so even if not requested as a guarantor; in which case the obligation of the other party is discharged in the amount paid to the account of the tax authority on the day the amount is paid to the tax authority. At the same time, the parties must notify each other within five (5) business days as of the fact that they have become an unreliable payer or that the number of their bank account used for the payments made under the Individual Contracts is no more published by the tax authority.
- 6.11. The parties agree that the purchase price for the Goods does not include royalties (payments for the use of intellectual property pursuant to Act No. 121/2000 Sb., the Copyright Act) or recycling fees (the costs of taking back and recovering or disposing of waste electrical and electronic equipment pursuant to Act No. 542/2020 Sb., the End-of-Life Products Act). As the Customer operates warehouse facilities in a number of EU countries, the country of final destination cannot be determined in advance, which country of final destination can be determined only after an order for the Goods is placed by the respective end user. The parties therefore agree that the royalties and recycling fees will be paid to the collective management organisations operating in the country of final destination by the Customer.
- 6.12. The Customer agrees to report to the respective collective management organisations operating in the countries of final destination any and all Goods purchased from the Supplier and pay properly any and all fees and royalties collected by the said collective management organisations.

7. Warranty and RMA Terms

General Provisions

- 7.1 The Supplier agrees to give a warranty on the Goods delivered, which warranty will be given for a minimum of 24 months or more in compliance with applicable standards and regulations of the country of final destination. The warranty begins from the date the Goods are delivered to the respective end user. Where a best before and/or use-by date is shown on the Goods, the Supplier agrees to give a warranty until the date shown on the Goods packaging.
- 7.2 Where the Goods develop a fault within the first 12 months after purchase by the end user, the Supplier and/or authorised service centre must explicitly specify in the service sheet whether or not the fault is a manufacturing defect.
- 7.3 The Supplier agrees to implement an IT solution within 3 months after entering into the Master Agreement, which IT solution will allow the information systems of the Customer and the Supplier to exchange RMA data (API). The Supplier further agrees to submit to the Customer any and all RMA documents and data solely in electronic form via the API. Where the Supplier fails to meet this obligation properly and in due time, the Customer has the right to charge the API fee. Where the Supplier fails to meet the obligation set forth herein even within the additional time limit prescribed by the Customer, the Customer has the right to terminate the Master Agreement with effect from the date of service upon the Supplier.
- 7.4 Processing of return requests submitted by end users generates extra administrative costs incurred by the Customer. The parties therefore agree that the Supplier will pay the Customer the RMA processing fee specified in Section 2 of the Master Agreement, which RMA processing fee will be charged for the processing of return requests submitted by end users for reasons attributable to the Supplier – for instance, when the Goods lack features expected by the end user, the instruction manual is not clear, the features of the Goods are not identified clearly, some parts of the Goods are completely missing, etc.
- 7.5 Where the rate of: (i) return requests submitted and/or (ii) contracts cancelled by the end users with respect to any Goods offered for sale to the end users exceeds the rates specified in the Master Agreement (in the columns titled “RMA Rate” and “Cancellation Rate”) within 6 months after the respective Goods are offered for sale, the Customer will withdraw the Goods from sale and return them back to the Supplier at Supplier’s cost. The Supplier agrees to refund the Customer for the price of the Goods and all related costs without undue delay, or issue a credit memo for the Goods.

RMA Process

- 7.6 The parties agree to use solely emails generated by the Customer's system to report any faulty Goods, which reports the Supplier agrees to process without undue delay. The Supplier may occasionally assign a unique reference number to a return request, which unique reference number the Supplier agrees to provide to the Customer without undue delay in an email sent in response to the return request.
- 7.7 The Supplier agrees to process any and all returns submitted by the end users within the time limit specified in the Master Agreement (in the column titled “RMA Processing”). Where the Supplier is late in processing a return, the Customer will be issued a credit memo for the sales price charged to the respective end user for the Goods returned and related costs or will be refunded without delay, however, no later than within 3 business days after the time limit for processing the return expires. Where the Supplier is late in processing a return submitted with respect to any Goods that cannot be resold for hygiene reasons, the Supplier will receive the Goods back from the Customer.
- 7.8 Where the returns are processed by the Supplier's authorised service (the Supplier's authorized service centre means both the service that is directly in a contractual relationship with the Supplier and the service authorized e.g. by the manufacturer), the Supplier assumes all responsibility for the actions of the relevant authorised service centre. Where the authorised service centre fails to process the individual returns and provide services properly and in due time, the Supplier agrees to provide the required services in lieu of the authorised service centre; in which case the Customer has the right to submit the individual return requests to the Supplier and the Supplier becomes obligated to process the submitted return requests properly and in due time and, where applicable, indemnify the Customer and the respective end user.
- 7.9 The parties agree that the Supplier and/or the Supplier's authorised service centre must:
- 7.9.1 specify in the service sheet with sufficient certainty the fault and the outcome, which service sheet must be issued in the language of the respective country of final destination; and
- 7.9.2 deliver to the Customer any and all repaired or replaced Goods to the following address:
Alza.cz a.s., Prologis Park – Gate B1 / Gate 40, Severní 255, 252 19 Chrášťany, except as otherwise

- agreed; with any and all notebooks being delivered to the respective Customer's shop at which the return request was filed.
- 7.10 The parties agree that the Customer has the right to return back to the Supplier any deliveries of repaired or replaced Goods lacking proper itemisation and consider such incorrectly processed returns requests not processed by the Supplier and/or the Supplier's authorised service centre.
- 7.11 Where the Goods are returned by the end users for repair and the reported fault is confirmed, the Supplier agrees to deliver the repaired Goods together with all related documents. Any and all repairs conducted in the respective calendar month will be properly invoiced by the Supplier at the end of the calendar month in question, with the invoices being due and payable within 30 calendar days after they are delivered to the Customer.
- 7.12 The Supplier agrees to issue corrected VAT invoices for return orders (including hygiene and other products), which corrected VAT invoices will be due and payable within 30 calendar days after they are delivered to the Customer.
- 7.13 The parties agree that that any costs relating to returns are borne by the Supplier, even where the reported fault is not confirmed.
- 7.14 Any and all repaired or replaced Goods must be delivered by the Supplier to the Customer in a separate delivery and be properly itemised.
- 7.15 Any visibly damaged deliveries containing the Goods returned for repair, replacement or refund must be reported by the Supplier to the carrier without undue delay and be handled in accordance with the carrier's instructions and the contract of carriage. The damage must further be reported by the Supplier and/or the authorised service centre to the Customer without undue delay and the extent of the damage documented so that it can be objectively assessed whether or not the Goods returned could have suffered any damage.
- 7.16 Where the reported fault is found by the authorised service centre unrepairable or recurring, the authorised service centre does not return the Goods back to the Customer but rather addresses the issue directly with the Supplier so that the Customer is issued a credit memo. The Supplier will issue a single credit memo for all and any Goods found in the respective calendar month to have an unrepairable or recurring fault, which credit memo note will be due and payable within 30 calendar days after it is delivered to the Customer.
- 7.17 Any and all repaired or replaced Goods offered for sale with the Supplier's consent in the Czech Republic and other EU countries must be accompanied by a service sheet issued in the language of the respective country of final destination, that is, in the Czech, Slovak, English, German or Hungarian language.
- 7.18 Any and all repaired or replaced Goods may never be delivered by the Supplier together with the new Goods. They always must be delivered in a separate sealed package or on a pallet, be clearly and visibly labelled as RMA and be unloaded at a separate gate.

8. Termination

- 8.1 The Individual Contracts may be cancelled or terminated by agreement or notice.
- 8.2 Either party has the right to cancel the Individual Contracts and/or the Master Agreement where the Customer is late in performing its financial obligations towards the Supplier for over 20 days and fails to cure the breach within 10 days of the Supplier's written notice thereof.
- 8.3 The Customer has an additional right to cancel the Individual Contracts and/or the Master Agreement where:
- 8.3.1 any representation or warranty given by the Supplier in Clause 3 and/or Clause 10 hereof becomes misleading, incomplete or incorrect; or
- 8.3.2 the Supplier becomes bankrupt, faces bankruptcy or a pleading seeking the entry of a decree or order for relief has been filed against the Supplier.
- 8.4 Either party has the right to terminate the Master Agreement without reason, by giving notice in writing as specified in the Master Agreement (in the column "Notice"). The parties agree that the notice period starts on the first day of the calendar month subsequent to that in which the notice is served on the other party.
- 8.5 The parties agree that that termination of the Individual Contracts and/or the Master Agreement will be without prejudice to any licences, warranties, indemnification and penalties accrued to the benefit of either party prior to such termination or to any other rights and claims which by their nature are to survive any termination of the Individual Contracts and/or the Master Agreement.

9. Confidentiality

- 9.1 In the course of, or in connection with, the performance of the Master Agreement and facilitation of co-operation and communication between the Customer and the Supplier, the Supplier has received or will receive:
- 9.1.1 information which is not in the public domain and/or common knowledge, and/or which qualifies as a trade secret of the Customer, and/or which is market-sensitive, identifiable, monetizable and confidential to the business, and which relates to the Customer's business, employees, trading partners or finances and is adequately safeguarded by the Customer (“**Confidential Information**”); and
- 9.1.2 personal data within the meaning of Article 4(1) of Regulation (EU) 2016/679 of the European Parliament and of the Council on the protection of personal data, including, without limitation, the personal data of (prospective) end users and Customer's employees and suppliers (“**Personal Data**”),
- irrespective of whether or not the Confidential Information and the Personal Data has been/will be provided/disclosed to the Supplier by the Customer and/or a third party and irrespective of the manner the same was/is provided, disclosed, recorded and/or stored. Making the Confidential Information and the Personal Data available (accessible), for instance, by providing access to the Customer's information system, is also considered disclosure.
- 9.2 The Supplier agrees to:
- 9.2.1 hold in confidence the Confidential Information and the Personal Data and process or otherwise handle the same solely in connection with performance of its obligations towards the Customer; and
- 9.2.2 avoid disclosure of the Confidential Information and the Personal Data by implementing appropriate technical and organisational measure to protect the Confidential Information and the Personal Data, in particular, but not limited to, prevent unauthorised access to or transmission of the same.
- 9.3 The Supplier may not present to third parties and the public media any information concerning the Customer and Customer's business, internal affairs, trading partners, customers and business plans without first obtaining the explicit consent of the Customer.
- 9.4 In relation to the Personal Data, the Supplier agrees to comply with all the requirements laid out in the GDPR, in particular the requirements referred to in Article 28(3)(a) though (h) of the GDPR, and other requirements laid down by privacy laws. The Supplier may not entrust another processor with processing activities without first obtaining the consent of the Customer in writing. The fee for protecting and processing the Personal Data and the Confidential Information is included in the purchase price paid for the Goods.
- 9.5 This confidentiality clause is intended to survive termination and remain in full effect until both of the following occurs:
- 9.5.1 information provided by the Customer to the Supplier ceases to be the Confidential Information; and
- 9.5.2 the Personal Data provided is destroyed or returned to the Customer.
- 9.6 Failure to comply with any of the obligations set out herein is subject to a penalty specified in the Master Agreement (in the column titled “Confidentiality”), which penalty is payable by the Supplier to the Customer for every individual breach of the obligations within 30 days of the request for payment, without prejudice to the Customer's right to damages.

10. Intellectual Property Rights, Characteristics of Goods

- 10.1 The parties agree to act so as not to infringe upon the intellectual property rights or harm the reputation of the other party.
- 10.2 The parties agree that the Supplier may not use the Customer's trademarks, trade name or brand, whether directly or indirectly, without first obtaining the explicit separate consent of the Customer in writing. Publication of any and all advertising, promotional and other materials which mention or include the Customer's trademarks and/or the trade name are subject to Customer's prior review and written approval, for the purposes of which such advertising, promotional and other materials will be submitted by the Supplier to the Customer no later than 7 business days prior to their anticipated publication.
- 10.3 Compliance with the foregoing requirement is necessary as the Customer's brand is a well-known and reputable brand and the Customer makes substantial investments in branding; the Customer does not want to have its brand used by any party in any way without prior written consent of the Customer.
- 10.4 The Supplier represents and warrants to the Customer that the sale of the Goods by the Customer in the EU and EEA countries does not infringe upon third party's rights (including, without limitation,

industrial property rights and copyright). The Supplier further represents and warrants to the Customer that the promotion and marketing of such Goods by the Customer using information and/or materials provided by the Supplier (logos or descriptions) does not infringe in any way upon any third party's rights. The Supplier hereby allows the Customer to use the information and/or materials provided by the Supplier, for the Customer's marketing purposes in the EU and EEA countries, free of charge and without limitation. The fee for using such information and materials is included in the purchase price paid for the Goods.

10.5 The Supplier represents and warrants that any and all Goods and/or sale thereof comply and will comply with applicable standards and regulations of the EU and EEA countries and in particular with that regulating product health and safety, product forgeries, product imitations, and consumer protection. The same applies also to any information provided by the Supplier.

10.6 **Information on specific conditions for the sale/promotion of the Goods**

In the event that the sale and/or the promotion of the Goods is specifically regulated under the mandatory legislation of the country of final destination (e.g., regulation of the sale and promotion of alcohol, special regulation of the promotion of dietary supplements or medical devices), the Supplier, as an expert on Goods, undertakes to expressly notify the Customer of this specific regulation. The Supplier shall also notify the Customer of any change in the regulations referred to in the preceding sentence and/or any change in the legal qualification of the Goods, which relates to the sale of the Goods by the Customer.

11. Codes of Ethics

11.1 The Supplier represents and warrants that the Supplier and Supplier's employees and agents adhere to the Code of Ethics in all their interactions with the Customer, which Code of Ethics is available at <https://www.alza.cz/protikorupcni-politika-alza>. In this context, the Supplier agrees not to wilfully commit, authorise or permit any conduct in breach of the applicable anti-corruption laws. The said applies in particular, but not limited to, the making of illegal payments to civil servants, representatives of public authorities or their partners, families or close friends (“**Public Figure**”)

11.2 The Supplier agrees not to offer, promise or give to any employee, agent or third party representing the Customer or their next of kin or the Public Figure, nor to accept, agree to accept from or request from any employee, agent or third party representing the Customer or their next of kin or the Public Figure any gift or benefit, monetary or other, to which the beneficiary is not entitled by virtue of law or under the Master Agreement and/or the Individual Contracts, as an inducement or reward for negotiating, executing or performing the Individual Contracts.

11.3 The parties must inform each other immediately when they have suspicion or knowledge of corruption in the process of negotiating, executing or performing the Individual Contracts.

11.4 A Supplier's breach of any of the obligations referred to in the preceding paragraphs constitutes a material breach of contract obligations and gives rise to the right to cancel the Master Agreement. The Supplier is liable for any loss or damage sustained by the Customer or any third party as a result of Supplier's failure to comply with the obligations referred to in the preceding paragraphs.

12. Liability for Damage

12.1 Either party is held liable for any loss or damage caused in connection with the performance of the Master Agreement and/or the Individual Contracts. The parties agree to use their best efforts to avoid or reduce any damage caused.

12.2 The Supplier agrees to indemnify, defend and hold the Customer harmless in respect of any loss or damage suffered by a third party, particularly for the breach of Clause 3 (Supplier's Representations and Warranties) and Clause 10 (Intellectual Property Rights, Characteristics of Goods) hereof.

12.3 If a defect in the Supplier's Goods causes damage (pecuniary and/or non-pecuniary) to the Customer, the Supplier shall:

12.3.1 to provide the Customer with all assistance leading to an amicable and equitable resolution of the matter with the customer which enables the Customer to maintain good relations with the customer;

12.3.2 fully compensate and make good the customer's loss;

12.3.3 pay the Customer a contractual penalty of **CZK 20,000,-** (as a lump sum for the internal resolution of the matter, including communication with the customer), whereby the payment of the contractual penalty shall not affect the Customer's right to compensation for damages or compensation for non-pecuniary loss in full;

12.3.4 indemnify the Customer for all damages and non-pecuniary damages, including any reputational damage.

- 12.4 Any fees agreed in the Master Agreement shall serve as contractual penalty and any penalties agreed under the Master Agreement or under these Terms shall serve a punitive function. Payment of any penalty (or any fee which has the characteristics of a penalty) for breach of the Supplier's obligations specified in the Master Agreement or Terms is without prejudice to the Customer's right to damages.

13. Notices and Communications

- 13.1 The parties agree to assist each other and communicate any information as may be necessary for due performance of their obligations. In particular, but not limited to, the parties must inform each other about any circumstances that are or may be crucial to the proper performance of the Individual Contracts, including, without limitation, about any cooperation with a factoring company that could and/or would affect the settlement of claims and obligations between the parties to the Individual Contracts.
- 13.2 The parties agree to notify each other of any changes to their mailing or email addresses or other identification details within 3 business days of the change.
- 13.3 The Supplier agrees to notify the Customer of its bankruptcy, imminent bankruptcy or any involuntary petition and/or other pleading seeking the entry of a decree or order for relief filed against the Supplier without undue delay, however, at the latest within three (3) business days.
- 13.4 The parties agree to give notices and communicate the information hereunder to the contact persons of the parties specified in the Master Agreement (in the column titled "Contact Persons"). Changes to the contact persons must be communicated to the other party without undue delay, with the right to communicate such changes being given to Product Managers, Product Manager Trainees or persons with equivalent or senior rank or, in their absence, members of the parties' governing bodies.

14. Miscellaneous

- 14.1 The parties agree to resolve amicably any disputes arising out of or in connection with the Individual Contracts. The parties agree that any disputes not resolved within 60 calendar days of the commenced negotiations will be finally decided with the Arbitration Court attached to the Czech Chamber of Commerce and the Agricultural Chamber of the Czech Republic according to its Rules by three arbitrators in accordance with the Rules of that Arbitration Court. The arbitration proceedings will be held in Prague, in the Czech language
- 14.2 The parties agree that the Supplier may not assign or transfer any of its claims against the Customer to a third party without first obtaining the consent of the Customer in writing; the Customer's consent is not required in the event of the assignment or transfer of claims to the company Platební instituce Roger a.s. (ID: 01729462) as part of the Alza Invoice Financing service.
- 14.3 The Supplier hereby agrees that the Customer's claims towards the Supplier under the Master Agreement and/or the Individual Contracts may be offset by the Customer against the Supplier's claims towards the Customer under the Master Agreement and/or the Individual Agreements or any other contract or agreement executed by the parties, which claims can be both due or undue.
- 14.4 The Customer has the right to make changes to the Terms from time to time, subject to a notice given to the Supplier at least 10 business days before the effective date of the updated Terms. The Supplier has the right to terminate the Master Agreement prior to the effective date of the updated Terms, which Master Agreement is then terminated as at the effective date of the updated Terms, otherwise the updated Terms continue to apply to any further transactions of the Customer and the Supplier carried out thereafter. A unilateral change to the Terms may include, for example, variation of Clause 4 or Clause 7 hereof
- 14.5 Where not precluded by their nature, the rights and obligations ensuing from the Master Agreement and or the Individual Contracts inure to the benefit of and are binding upon the successors and assigns of the parties.
- 14.6 The rights and obligations of the parties not explicitly regulated by the Master Agreement are governed by the relevant provisions of general law applicable in the Czech Republic. As regards the protection of consumer rights in the EU and EEA countries, the respective provisions of the EU and EEA laws apply. The parties agree that the provisions of the United Nations Convention on Contracts for the International Sale of Goods will not apply.
- 14.7 The Terms come into effect on the day they are signed by both parties. The day of taxable supply is the day the Goods come into the possession of the Customer.