

General Terms and Conditions of Plzeňský Prazdroj, a.s. - Purchase (Hereinafter referred to as "the GT&Cs")

Legal status and other information related to Plzeňský Prazdroj, a.s.

Plzeňský Prazdroj, a.s.

Registered office: U Prazdroje 64/7, Východní Předměstí, 301 00 Plzeň

Registered: in the Commercial Register of the Regional Court in Plzeň, section B 227

Incorporation: 1 May 1992

ID No.: 45357366

Tax ID No.: CZ45357366

Bank: CITIBANK Europe plc, branch

Account No.: 2029990203/2600

(Hereinafter referred to as "PP")

I. Introductory Provisions

- I.1. These GT&Cs form an integral part of the binding terms and conditions of any Contractual Relationship between PP and any of its Suppliers, pursuant to Section 1751 of the Civil Code (Act No. 89/2012, Coll.).
- I.2. Any provisions of a Contractual Relationship that are different herefrom shall take precedence over these GT&Cs.
- I.3. By concluding a Contractual Relationship, the Supplier confirms that it is a legal entity duly established and existing under the laws of the Czech Republic or other applicable laws, or that the Supplier is an individual entrepreneur authorized to carry out business according to the laws of the Czech Republic or other applicable laws in the scope needed for the due fulfilment of the Supplier's obligations under the relevant Contractual Relationship, that the Supplier is fully authorized to conclude the Contractual Relationship and to fulfil the obligations arising thereunder, that the Conclusion of the Contractual Relationship is not in contradiction with any of the Supplier's legal or contractual obligations, and that the Supplier is capable of providing due and timely Performance which is the subject matter of the relevant Contractual Relationship.
- I.4. These GT&Cs, the Contractual Relationship, rights and obligations of the Parties regulated by or arising under the Contractual Relationship, including matters which are not explicitly regulated under these GT&Cs or the Contractual Relationship, shall be governed by the relevant laws of the Czech Republic, in particular the Civil Code (Act No. 89/2012, Coll.). For the settlement of any disputes concerning the Contractual Relationship, the ordinary court of law for PP shall be the court of local jurisdiction pursuant to Section 89(a) of the Civil Procedure Code (Act No. 99/1963 Coll.).
- I.5. The capitalized terms used herein or in connection with any Contractual Relationship, shall have the following meaning for the purpose of these GT&Cs and any Contractual Relationship:
 - "Price" shall have the meaning set out in Article III hereof.
 - "Delivery Note" shall mean any written certificate or delivery protocol on a delivery by the Supplier to PP, and the takeover by PP from the Supplier, of the Performance that is the subject matter of the relevant Contractual Relationship. The Delivery Note shall contain, as a minimum: specification of the Parties, the delivered Performance and the date of actual delivery.
 - "Supplier" shall mean an individual or a legal entity that is, in a Contractual Relationship with PP, on the part of the seller, the provider of any services, supplier of any work or another supplier of any products, services, work or any other goods or commodities.
 - "Date of Delivery" shall mean the date on which the Supplier shall be obliged to deliver to PP the Performance that is the subject matter of the relevant Contractual Relationship.
 - "Confidential Information" shall mean any and all information, data, materials, papers, documents, records of oral speech or any other information or data in any form provided by PP to the Supplier, or otherwise acquired by the Supplier from PP in connection with these GT&Cs, any Contractual Relationship or any Conclusion of the Contractual Relationship or otherwise, relating to (i) any Contractual Relationship and its individual terms and conditions, including the Prices, (ii) any activity of PP and the Asahi Group including, without limitation, their (whether separate or joint) commercial and/or pricing strategies, business plans, business partners and business relationships, products, manufacturing processes, the organization and protection of information systems and technologies, accounting, tax and any other financial data, know-how, Intellectual Property Rights or intents existing before or after the Conclusion of the Contractual Relationship with the Supplier, or any other information, including data of a business, financial, production, technical or strategic character and relating to the PP business or businesses of the Asahi Group, or (iii) any other information or trade secrets protected under Section 504 of the Civil Code, which are not commonly available to the public and which PP treats in such a way that makes evident the desire of PP to keep such information confidential, or any other information that is not explicitly marked as "open-access" information, in written, oral or in any other form. All Confidential Information shall remain in PP's ownership. The following information shall not be considered to be Confidential

Information: (a) information that is public knowledge at the time of its disclosure to the Supplier, (b) information that becomes public knowledge after it has been provided to the Supplier otherwise than as a result of breach by the Supplier of the confidentiality obligation or another Supplier's obligation hereunder or under the Contractual Relationship, (c) information that has demonstrably been known to the Supplier before its disclosure.

"Invoice" shall have the meaning set out in Article III.5 hereof.

"Code of Commercial Communication" shall have the meaning set out in Article IX.2 hereof.

"Period for the Removal of Defects" shall have the meaning set out in Article VI.5 hereof.

"Maturity Period" shall have the meaning set out in Article III.10 hereof.

"Place of Performance" shall mean the registered office of PP kept in the Commercial Register as of the day of completion of the relevant Performance, unless another place of performance is explicitly agreed in connection with the relevant Contractual Relationship.

"Defect Claim" or "Defect Claims" shall have the meaning set out in Article VI.5 hereof.

"Civil Code" shall mean Act No. 89/2012 Coll., Civil Code, as amended.

"GT&Cs" shall mean these General Terms and Conditions of Plzeňský Prazdroj, a.s. - Purchase, effective from 25 May 2018.

"Personal Data of PP" shall have the meaning set out in Article VIII.3 hereof.

"Notification of Defects" shall have the meaning set out in Article VI.4 hereof.

"PP" shall mean the company Plzeňský Prazdroj, a.s., a legal entity established in the form of a joint stock company under the laws of the Czech Republic, in particular the Commercial Code, with its registered office at U Prazdroje 64/7, Východní Předměstí, 301 00 Plzeň, Czech Republic, Identification Number (ID No.): 45357366, Tax Identification Number (Tax ID No.): CZ45357366, registered in the Commercial Register maintained by the Regional Court in Plzeň, File B, Insert 227.

"Performance" shall mean any performance of the Supplier of any kind or character in accordance with the terms and conditions agreed between PP and the Supplier in the respective Contractual Relationship, regardless of whether the performance is in kind or other, whether it is in tangible or intangible form, or any other performance of the Supplier.

"Intellectual Property Rights" shall mean any copyright or copyright-related rights and any other intellectual property rights or industrial property rights of any kind, that are subject to protection under the relevant legal regulations of the Czech Republic or any other relevant laws, including Act No. 121/2000 Coll., on Copyright, Act No. 527/1990 Coll., on Inventions and Rationalization Proposals, Act No. 441/2003 Coll., on Trademarks, Act No. 207/2000 Coll. on the Protection of Industrial Designs, Act No. 478/1992 Coll., on Utility Models, as well as similar EU legislation, as amended.

"Regulations on the Protection of Intellectual Property" shall mean any relevant legal regulations of the Czech Republic or any other relevant laws regulating Intellectual Property Rights.

"Asahi Group" shall mean any company, branch (organizational unit) or other entity that is part of Asahi Group Holdings, wheresoever in the world, including PP.

"Party" or "Parties" shall mean PP or the Supplier; or PP and the Supplier.

"Supplier's Account" shall mean the account of the Supplier at a bank or a financial institution according to Article III.11 hereof.

"Conclusion of a Contractual Relationship" shall mean (i) execution of a written contract, agreement or other arrangement between PP and the Supplier, (ii) written acceptance, without reservation, of a written order of PP by the Supplier, the order referring to these GT&Cs as its integral part, (iii) implied acceptance by the Supplier of a written order of PP by the Supplier in the form of the delivery of products, goods, work, other commodities, services or other Performance requested by PP in its relevant order, or (iv) in the event of the Supplier's reservations with respect to PP's order, written acceptance by PP of the Supplier's relevant proposal.

"Personal Data Protection Act" shall mean Act No. 101/2000 Coll., on the Protection of Personal Data and Change of Certain Laws, as amended, or any generally applicable legal regulation as may supersede this Act in the future.

"Supplier Code of Conduct" shall have the meaning set out in Article IX.1 hereof.

"Contractual Relationship" shall mean any purchase contract, contract for work, contract on procurement of a thing, or any other contract, agreement or arrangement that establishes the Contractual Relationship between PP in the position of acceptant of the Performance and payer of its Price and the Supplier in the position of provider of the Performance to PP based on the Conclusion of the Contractual Relationship. The provisions of Part IV, Chapter II of the Civil Code regulating individual contract types shall only apply to contracts, the content of which, as agreed by the Parties, includes the substantial parts of the contract as set out in the basic provision for each such contract. The Contractual Relationship shall further mean, for the purposes hereof, such contract or agreement which is not regulated as a contract type, provided that the Parties have sufficiently specified the subject of their obligations therein.

II. The Performance

- II.1. The subject of the Performance shall always be specified in writing in relation to the relevant Contractual Relationship.
- II.2. The Supplier's Performance shall be completed on the Date of Delivery at the Place of Performance and shall be deemed completed upon PP's written confirmation of the relevant Delivery Note.
- II.3. Any monetary performance of PP shall be completed within the Maturity Period to the Supplier's Account and shall be deemed completed upon the deduction of the relevant Price from PP's account to the benefit of the Supplier's Account.
- II.4. The Parties undertake to cooperate closely, including, without limitation, to provide each other with full, true and timely information necessary for the due performance of their obligations. In the event of a change in substantial circumstances which has or may have an impact on the performance of obligations under the Contractual Relationship, the relevant Party shall be obliged to inform the other Party of such change without undue delay, however, no later than within seven (7) days of the day on which such change occurred.
- II.5. Each Party undertakes to provide the other Party with the necessary cooperation enabling due performance of the obligations under the Contractual Relationship.
- II.6. For the sake of optimal performance of obligations under the Contractual Relationship, the Parties shall perform their obligations duly and in time in order to prevent a delay in the performance thereof. Should either of the Parties learn that there is a danger of delay or find itself in delay in the performance of its obligations, it shall notify, without undue delay, the other Party of the reason for the delay in the performance as well as the expected date and the manner of its remedy. The rights of the entitled Party arising as a result of the delay of the other Party shall not be affected thereby, unless explicitly agreed otherwise in connection with the Contractual Relationship.
- II.7. The Parties undertake to perform their obligations under the Contractual Relationship in accordance with any and all relevant legal regulations and norms of general applicability.
- II.8. Neither of the Parties shall be responsible for any delay caused by a delay in the performance of the other Party's corresponding obligations.
- II.9. Should there arise, within the performance of the Contractual Relationship, circumstances under which it is appropriate for any reason to change substantial parts of the Contractual Relationship, such as the Date of Delivery, the Maturity Period, the Price, the Subject of Performance, the Place of Performance, etc., the Party on the side of which such circumstances have occurred or which has first learnt thereof, shall, without any delay, request the other Party in writing to agree on changes of the terms and conditions of the Contractual Relationship together with a particular proposal for the changes to the wording of the relevant terms and conditions of the Contractual Relationship, including justification of the proposed changes. Any changes of any Contractual Relationship shall require a written form in order to be valid.
- II.10. The Supplier is entitled to subcontract a part of the Performance or the whole Performance), i.e., to fulfil the obligations under the Contractual Relationship through third persons only upon a prior written approval of PP. In such case, the Supplier shall be fully responsible for the fulfilment of any and all obligations under the relevant Contractual Relationship by any and all sub-suppliers as if the Supplier itself provided the Performance. The Supplier shall be responsible for any actions or omissions of all sub-suppliers, their substitutes or employees, fully and to such an extent as if they were the actions or omissions of the Supplier, its substitutes or employees. Should the Supplier be in delay in payment of the price of the relevant sub-supply to the relevant sub-supplier, PP shall be entitled, but not obliged, to pay the price of the sub-supply to such sub-supplier on behalf of the Supplier directly, after having discussed the reasons for the delay with the Supplier. In such event, PP shall be entitled to set off any amounts so paid to the relevant sub-supplier against the Price which it is to pay for the relevant Performance to the Supplier. PP shall notify the Supplier in writing of such payment of the price of the sub-supply without undue delay after making such payment.

III. The Price and Payment Conditions

- III.1. The Prices shall be denominated in Czech Crowns (CZK), unless the Parties expressly agree otherwise.
- III.2. In each Contractual Relationship, the Price for the Performance shall be determined on the basis of an agreement between the Parties, or, as the case may be, in accordance with the mutually agreed Supplier's price lists (the "Price").
- III.3. The Price shall not include value added tax. Value added tax shall be charged in the amounts set out under the legal regulations effective as of the day of issuance of the relevant Invoice.
- III.4. Travel expenses, costs of accommodation, costs of transport, time spent travelling, as well as other costs or expenses of the Supplier relating to the Performance shall be deemed to be included in the Price, unless otherwise stipulated herein or in connection with the particular Contractual Relationship.
- III.5. The Supplier is entitled to issue an invoice - a tax document - for the Performance (the "Invoice") only if the due Performance, free of any and all defects, has been accepted by PP by way of executing the Delivery Note.
- III.6. Advance payments shall be permitted only exceptionally on the basis of an explicit written agreement between the Parties. The provisions hereof on the payment of the invoiced Prices shall proportionally apply to charging and paying the advance payments.

- III.7. The Invoices shall meet all the requirements for accounting and tax documents set out by the applicable legal regulations in effect (in particular, Act No.235/2004 Coll., on Value Added Tax). Copies of the confirmed Delivery Notes relating to the Performance, the Price of which is invoiced, shall be attached to each Invoice.
- III.8. The Invoices must always indicate the number of PP's respective order which must be stated in an Invoice in full (i.e., all characters), and and typewritten (i.e., not handwritten) in order to be readable by optical character recognition devices. The Invoices must be sent exclusively to the invoicing addresses - Plzeňský Prazdroj, a.s., oddělení závazků (Accounts Payable Dept.), U Prazdroje 64/7, Východní Předměstí, 301 00 Plzeň, or via email to: fakury@asahibeer.cz (the "Invoicing addresses").
- III.9. Should an Invoice fail to meet the requirements stipulated herein or in a particular Contractual Relationship, PP shall be entitled to return it to the Supplier, pointing out the defects. In such a case, the Maturity Period of the returned Invoice shall be discontinued and a new Maturity Period under III.10 hereof shall commence to run no earlier than upon delivery of an Invoice fully satisfying the agreed requirements.
- III.10. The Invoices shall be issued by the Supplier no earlier than on the day of PP's written confirmation of the Delivery Note relating to the Performance, the Price of which is subject to the Invoice. The Maturity Period of the invoiced Price and all other amounts invoiced by the Supplier shall be ninety (90) calendar days, at a minimum (the "Maturity Period"), and shall commence on the date of delivery of the invoice to PP. The Invoices shall be deemed to be delivered only if they are delivered to one of the invoicing addresses. Invoices delivered in any other way will not be taken into consideration and such a delivery will not be deemed as the delivery of an invoice that results in the start of the Maturity Period for payment of the invoiced amount.
- III.11. Any and all invoiced amounts shall be paid by bank transfer always on the last day of the Maturity Period, or on the next working day if the last day of the Maturity Period is a day off; where the last day of the Maturity Period is a day off and the Buyer pays the invoiced amount on the first following working day, the Buyer shall not be in default on its payment obligation. Payments shall be transferred to the Supplier's Account agreed in connection with the Contractual Relationship or notified in advance by the Supplier by means of a specific written notice (stating the new bank details in the Invoice shall not be sufficient). Should the Supplier fail to fulfil such notification obligation, PP shall not be in default in the payment of the invoiced amounts, including the Prices. Invoiced amounts shall be deemed to be paid on the day of their deduction from PP's bank account.
- III.12. As the provider of a taxable supply, the Supplier shall, without delay, inform PP who is the recipient of the taxable supply of any and all circumstances that may cause PP to become a guarantor liable for unpaid tax according to Section 109 of Value Added Tax Act No. 235/2004 Coll. as amended (hereinafter referred to as "the VAT Act"). The Supplier shall compensate PP for any and all damage and/or losses incurred as a result of not complying with this liability. In particular, this shall apply to VAT and any appurtenances (accessories) to the tax as well as any demonstrably associated costs that the PP, as the guarantor, has paid instead of the Supplier following the relevant Tax Administrator's call to do so.
- III.13. Should the Supplier be publicly listed, in a manner allowing remote access, as an unreliable payer according to Section 109(3) of the VAT Act, PP shall be entitled to withdraw from this Contract establishing the Contractual Relationship, with effect from the day on which the notice of such withdrawal is delivered to the Supplier, unless the notice gives a later effective date.
- III.14. PP shall make a non-cash payment of the price exclusively to an account maintained by a payment service provider in the Czech Republic provided that this is the account of the Supplier that has been made public by the Tax Administrator in a manner allowing remote access according to Section 98 of the VAT Act.
- III.15. In the event that
 - a) the Supplier advises to PP a bank account for the payment of the price that is maintained by a payment service provider outside the Czech Republic, or is different from the account of the Supplier that has been made public by the Tax Administrator in a manner allowing remote access, or
 - b) should the Supplier be publicly listed, in a manner allowing remote access, as an unreliable payer according to Section 109(3) of the VAT Act,PP shall be entitled to pay to the Supplier the price only in the amount of its tax base and to pay the outstanding part, i.e., the amount of the relevant VAT, to the Tax Administrator in the manner set out in Section 109a of the VAT Act. If PP pays the VAT to the Tax Administrator instead of the Supplier in accordance with Section 109a of the VAT Act, such payment shall be considered to be due payment of the part of the agreed price by PP to the Supplier

IV. Terms of Delivery

- IV.1. The Supplier shall deliver the Performance at the Place of Performance on the basis of a written notification from PP that it is ready for physical takeover, however, no later than on the Delivery Date.
- IV.2. The term of delivery shall be "DDU Place of Performance" (Incoterms 2000) for deliveries within the European Union, or "DDP Place of Performance" (Incoterms 2000) for deliveries outside the European Union.
- IV.3. In the event of a Performance of an intangible character, the delivery of such Performance shall be preceded by a verification of the completeness and the full functionality of all products which are the subject of such Performance, on the basis of testing such products by PP as the user and by the Supplier on the PP's data and infrastructure, or in any other manner corresponding to the character of the Performance as may be agreed between the Parties.
- IV.4. PP shall be entitled to refuse to take over any Performance (whether tangible or intangible) if it considers that the Performance is not, in any respect, in accordance with the terms of and the requirements for the Performance agreed under the relevant Contractual Relationship, in particular, if it is not in the agreed quantity, quality and design; if it is has not been packed or prepared for transportation in the agreed manner, or in a usual and adequate manner in the event that the manner of packing or preparation for transportation has not been agreed; or if the documents required for the takeover and use of the Performance or the documents stated in the Contractual Relationship are not delivered together with the Performance, or if such documents do not correspond to the terms and conditions agreed under the relevant Contractual Relationship. In the event of a Contractual Relationship arising under a contract for work, PP shall be entitled to refuse to take over the Performance provided that the Performance (the work) does not correspond to the result set out in

- the contract for work which has established the relevant Contractual Relationship. In such case, PP shall be entitled to withdraw from the contract which established the Contractual Relationship, and claim against the Supplier damages caused as a result of a delay in delivery of the Performance or, should PP not withdraw from the contract, request that the Supplier remedy the identified insufficiencies. In such case, the Supplier shall be obliged to remedy such insufficiencies without undue delay, however, no later than within the Time Period for the Removal of Defects according to Article VI.5 (a) hereof, unless the Parties expressly agree otherwise. Subsequently, PP shall carry out another Performance check. If the specified insufficiencies have been remedied and the relevant Performance is in accordance with the terms and conditions of the Contractual Relationship, PP shall sign the Delivery Note. This provision shall also be reasonably applied with respect to the provision of services by the Supplier or to any other Contractual Relationship.
- IV.5. The obligation of the Supplier to provide training to the personnel of PP or other persons shall be deemed fulfilled upon the signing by PP of a written protocol concerning the provided training.
- IV.6. Should the Supplier provide any Performance on the premises of PP, it shall observe PP's guidelines regulating health and safety at work, environmental protection and fire protection, which shall, in each individual case, be made available to the Supplier to become familiar with them.
- V. Ownership Rights, Right of Use of the Work and Passing on Risk of Damage**
- V.1. The ownership title to the Performance, which shall pass on to PP according to the terms and conditions of the Contractual Relationship, shall pass on to PP on the day of completion of the Performance according to Article II.2 hereof, unless otherwise agreed between the Parties.
- V.2. The right to use the Performance or part thereof (the "Right of Use"), which is protected under the Regulations of the Protection of Intellectual Property, shall pass on to PP on the day of handover of such Performance according to Article II.2 hereof. Unless the Regulations of the Protection of Intellectual Property set out additional conditions for the lawful exercise of the Right of Use, the Right of Use shall pass on to PP to the full extent to which the relevant Regulation of the Protection of Intellectual Property enables the party having ordered the work to exercise the Right of Use, or the author or any other person who possesses or exercises the Intellectual Property Rights, to grant the Right of Use. Unless otherwise agreed or provided otherwise under the relevant Regulation of the Protection of Intellectual Property, the Right of Use shall pass on to PP as of the day of signing by both Parties of the Delivery Note relating to the Performance specified in the relevant Delivery Note, agreement, contract, accepted order or another document establishing the Contractual Relationship to which the Delivery Note relates.
- V.3. The Supplier agrees, and shall be liable to PP in such respect, that in relation to any Performance or part thereof it has duly obtained, exercised (for example, in connection with the labelling of products or services) or secured for the benefit of PP in accordance with the Regulations of the Protection of Intellectual Property for all relevant Intellectual Property Rights relating to the Performance and necessary for its operation and use. Failing that, the Supplier shall be obliged to compensate PP in full for any and all damages incurred by PP as a consequence of breach of such obligation.
- V.4. With respect to a Performance that is wholly or partially a copyright work, the Supplier shall provide or assign to PP an exclusive license, which it has lawfully obtained from the author of the work, as follows:
- for all means of use of the work as a whole or any part thereof;
 - in an unlimited extent and for an unlimited period of time, with the Right of Use on the territory of any country of the world;
 - with the right of PP to modify, process or otherwise change the work or any part thereof, or to use it in conjunction with other works, image or word elements or to include it in a collective work;
 - without the obligation of PP to use the work as a whole or any part thereof; and
 - with the right of PP to assign all or part of the obtained rights (the license) or sub-license the work as a whole or any part thereof to a third party, whether with or without other rights so obtained by PP from the Supplier, with the right of the third party to further assign the license or grant a sub-license.
- Unless expressly agreed otherwise, the license shall be provided or assigned free of charge.
- V.5. The risk of damage with respect to the handed-over tangible Performance shall pass on to PP on the day of its due handover as of the date specified in the relevant Delivery Note.
- VI. Quality Warranty and Liability for Defects**
- VI.1. The Supplier undertakes that any Performance delivered shall always be in full compliance with the conditions of and the requirements for the Performance agreed under the relevant Contractual Relationship, in particular, that it shall be delivered in the agreed quantity, quality and design, packed and prepared for transportation in the agreed manner and that the documents necessary for takeover and use of the Performance, or the documents agreed under the Contractual Relationship, shall be delivered together with the Performance. In the case of a Contractual Relationship arising under a contract for work, the Performance (work) shall correspond to the result set out in the contract for work which established the relevant Contractual Relationship.
- VI.2. The Supplier undertakes that any and all of its Performances shall be fully capable of their usual or agreed use, shall be functional according to all the documentation provided and that they shall maintain their usual or agreed characteristics throughout the warranty period, which shall be 24 months and shall commence upon delivery of the particular Performance to PP, unless the Parties agree otherwise.
- VI.3. The Supplier shall be liable for defects in the Performance pursuant to the relevant provisions of the Civil Code, unless these GT&Cs or the Contractual Relationship expressly provide otherwise.
- VI.4. PP shall assert the rights arising in connection with the liability for defects by written notification of the defects in the Performance, delivered to the Supplier no later than on the last day of the warranty period (the "Notification of Defects").
- VI.5. In case of delivery of a defective Performance, PP may assert one or more of the following claims against the Supplier, regardless of the fact if the delivery of a defective Performance represents material or immaterial breach of obligations under the Contractual Relationship:
- demand free-of-charge removal of defects, no later than within 5 calendar days of the day on which the Notification of Defects is delivered to the Supplier (the "Time Period for the Removal of Defects") by delivery of the Performance free of defects or a substitute performance replacing the defective Performance, or by delivery of the missing Performance or its missing part;
 - demand free-of-charge removal of defects by repair of the Performance, no later than within the Period for the Removal of Defects, provided that the defects are repairable;
 - demand an appropriate reduction in the Price of the Performance, however, not less than 5% of such Price;
 - terminate the Contractual Relationship by withdrawal;
- (individually, the "Defect Claim", collectively, the "Defect Claims").
- PP shall notify the Supplier of which Defect Claims it has chosen in the Notification of Defects. PP shall be entitled to change the Defect Claims it has asserted in the Notification of Defects, including termination of the relevant Contractual Relationship by withdrawal, without the Supplier's consent but no later than within the Period for the Removal of Defects. Any change in choice of Defect Claim shall be notified by PP to the Supplier in the same manner as the Notification of Defects. The Supplier shall be obliged to issue to PP a confirmation as to when PP delivered the Notification of Defects, including any change thereto, to the Supplier, as well as a confirmation of the completion and the manner of removal of the defect and of the duration thereof.
- Should the Supplier fail to remove the defects within the Period for the Removal of Defects, PP shall be entitled to terminate the relevant Contractual Relationship by withdrawal and request payment of a contractual penalty for each day of the Supplier's delay in removal of the defects, in the amount of five-hundredths of a percent (0.05%) of the Price of the Performance. The PP's claim for the recovery of damages arising as a result of the Supplier's delay in delivery of the Performance free of defects or in the removal of defects, including damages exceeding the amount of the contractual penalty, shall not be affected by payment of the contractual penalty.
- In case of settlement of the claim in one of the manners set out under (a) and (b) above, a new warranty period of 24 months for the new or repaired Performance or its new or repaired part shall commence on the date of its delivery, unless the Parties agree otherwise.
- VI.6. If PP asserts any of the Defect Claims set out in Article VI.5 (a) and (b) above and if, within the Period for the Removal of Defects, it becomes apparent that the defects of the Performance are not removable within the Period for the Removal of Defects, the Supplier shall notify such fact to PP in writing immediately, no later than within two calendar days of the day it learnt that the defects are not removable. In case of such non-removable defect, PP shall be entitled to assert any of the Defect Claims according to Article VI.5 (a), (c), and (d) above. If PP chooses the Defect Claim according to Article VI.5 (a) above, but the Supplier fails to deliver a substitute performance within the Period for the Removal of Defects, PP shall have the right to terminate the relevant Contractual Relationship and demand the payment of a contractual penalty for each day of delay of the Supplier in the removal of the defects, in the amount of five-hundredths of a percent (0.05%) of the Price of the Performance. The PP's claim for the recovery of damages arising as a result of the delay of the Supplier in the delivery of the Performance free of defects, including damages exceeding the contractual penalty, shall not be affected by payment of the contractual penalty.
- VI.7. A removable defect shall also be considered a non-removable defect entitling PP to the Defect Claims and other rights, including the right to the contractual penalty according to Article VI.6 above, if it has recurred after at least one completed repair of the Performance or any part thereof (including replacement of a part of the Performance), or if more defects (i.e., more than 1) of any kind occur simultaneously. The Performance shall always be considered as suffering from a non-removable defect if manufactured from a material other than that expressly agreed or otherwise stipulated or mandatory or using other than a stipulated or mandatory technology process, as well as a defect the removal of which would affect the functioning, design or quality of the Performance.
- If PP does not assert the minimum reduction in the Price set out in Article VI.5 (c) above, the size of the adequate reduction in the Price shall be agreed between the Parties. If the agreement on the reduction in the Price is not made within 10 working days of delivery of the Notification of Defects to the Supplier, PP shall be entitled to:
- choose another Defect Claim; or, if it insists on the provision of a reduction in the Price,
 - obtain an evaluation of an adequate Price reduction from an independent expert selected by PP. The Parties shall bear the costs of the expert equally; provided, however, that if the Price reduction evaluated by the expert is higher than the Price reduction proposed by PP or lower than the same by no more than 10%, these costs shall then be borne exclusively by the Supplier. The Supplier and PP shall be obliged to provide each other with all the necessary cooperation in order to ensure a quick and objective evaluation of the adequate reduction in the Price. The foregoing procedure shall not affect the right of PP to assert any of its claims in court or through arbitration.
- The Supplier undertakes to reduce the Price of the relevant Performance by the reduction in the Price as evaluated by the independent expert.
- VI.8. PP shall further be entitled, in the event of asserting any Defect Claims, to the compensation of costs and expenses incurred by PP in connection with asserting a Defect Claim or Defect Claims, and to the recovery of damages incurred by PP as a result of defects in any Performance.
- VI.9. PP shall not be obliged to pay the Price of the defective Performance, whether in full or a reduced amount, and the Supplier shall not be entitled to demand the payment thereof before delivery of the Performance free of defects or before the conclusion of an agreement on an adequate reduction in the Price. In the event of termination of the relevant Contractual Relationship, the Supplier shall not be entitled to payment of the Price of the relevant Performance.
- VII. Communication between the Parties**
- VII.1. The Parties shall communicate with each other either in writing to the addresses, fax numbers or e-mail addresses agreed in connection with the Contractual Relationship, by telephone, or in person through their authorized representatives.

- VII.2. Any documents shall be delivered to the other Party to the address of its seat registered in the Commercial Register as of the date of sending of the document, to the fax numbers or e-mail addresses mutually notified by the Parties in writing as fax numbers and e-mail addresses designated for delivery, unless the Parties agree otherwise in connection with the particular Contractual Relationship. The effects of delivery shall occur (a) in case of personal delivery or delivery via courier service, on the day confirmed in writing by the other Party as the day of acceptance of the relevant delivery; (b) in case of registered mail with advice of delivery, on the day of delivery stated on the advice of delivery; and (c) in case of fax, on the day stated on the confirmation of delivery to the fax number of the other Party, of all pages of the delivered document; and (d) in case of electronic mail, on the day stated in the return e-mail message confirming delivery of the e-mail to the e-mail address of the other Party. The documents may also be sent and delivered via electronic mail or fax to an address or number which one of the Parties shall notify to the other Party in writing for the purpose of communication.
- VII.3. Any documents having the nature of a legal action, in particular those relating, even indirectly, to the duration, effectiveness, change or termination of the Contractual Relationship, shall be delivered in person, via courier service or via registered mail with advice of delivery.
- VIII. Protection of Confidential Information, Protection of Personal Data**
- VIII.1. The Supplier shall treat Confidential Information as a trade secret, in particular, shall keep it confidential and adopt all contractual and technical measures to prevent its abuse or disclosure, and shall not disclose it in any form (including orally) to any third person or any of its workers, employees or consultants, who are not bound in writing to protect the confidentiality of information at least to the extent of the obligation to protect Confidential Information in accordance herewith. The confidentiality obligation shall not apply on cases when the Supplier is obliged to disclose the Confidential Information, to the relevant state authorities on the basis of relevant generally applicable legal regulations.
- VIII.2. The Supplier shall bind in writing all its employees, other workers, advisors, consultants and contractual partners, whom the Supplier, upon the prior written consent of PP, has invited to any dealings with PP, to protect Confidential Information in the extent of this Article VIII. The Supplier's obligations stipulated under legal regulations for the handling of information designated thereby as confidential shall not be affected.
- VIII.3. Should the Supplier in any way in connection herewith or any Contractual Relationship obtain personal data or their parts processed by PP or otherwise relating to PP or any persons having any relation to PP (the "Personal Data of PP"), the Supplier undertakes, in respect of such data, to fulfil or to ensure the fulfilment of all duties under the relevant legal regulations, in particular, the Personal Data Protection Act, which the stated legal regulations and, in particular, the cited act require, including a prospective duty to report, obtaining all required consents and entering into a written agreement with PP on the processing of personal data. The Supplier may not release itself from such duty. Should it be necessary for the performance of the Contractual Relationship to fulfil the reporting duties according to the cited act, both Parties shall exert all cooperation in order for the Supplier to fulfil such reporting duties.
- VIII.4. The Supplier further undertakes to ensure that if, in connection with the performance of the Contractual Relationship, its authorized workers or consultants or other persons cooperating therewith come into contact with the Personal Data of PP, the Personal Data of PP shall not be unlawfully or accidentally accessed, shall not be changed, destroyed or lost, unlawfully transferred, otherwise unlawfully used or processed, or used otherwise than in compliance with all the relevant legal regulations and, in particular, the Personal Data Protection Act. The Supplier shall be fully responsible for the breach by any persons of such obligation relating to the Personal Data of PP.
- VIII.5. For each individual breach of obligations set out in this Article VIII, the Supplier shall pay to PP a contractual penalty in the amount of 5% of the Price of the Performance in connection with which the Supplier has obtained Confidential Information or the Personal Data of PP to which the breach relates. If the breach concerns several Performances, the contractual penalty shall be calculated from the total of the Prices of all relevant Performances.
- VIII.6. The Supplier shall ensure that Confidential Information is kept confidential throughout the duration of any Contractual Relationship with PP and thereafter until the expiry of a period of 3 years from its termination. PP shall be entitled to request that the Supplier prove the sufficiency of the measures adopted for the purpose of keeping Confidential Information confidential and protecting the Personal Data of PP.
- VIII.7. Based on the Contractual Relationship and for the purpose of related operational needs, the exercising of rights, fulfilling obligations arising from the Contractual Relationship, protection against property damage and/or loss, and fulfilling obligations under Act No. 253/2008 Coll. on Selected Measures against Legitimation of Proceeds of Crime and Financing of Terrorism, PP processes the following data for the term of this Contract/Agreement and subsequently, for the period as may be necessary for making a claim (a period of 15 years is estimated as per the Civil Code, S. 636):
- personal data of the Supplier where the Supplier is a natural person in the scope of: title/academic degree, name, surname, date of birth, place of residence, job title, place of work, telephone number, fax number, e-mail address, entrepreneur (natural person) identification data (Taxpayer No.);
 - personal data of the Supplier's employees which have been provided by the Supplier: title/academic degree, name, surname, job title, functional department, place of work, telephone number, fax number, e-mail address and employer identification data;
- VIII.8. PP hereby provides to the Supplier the Privacy Policy at this link: <https://www.prazdroj.cz/en/privacy-policy>, in order for the relevant mandatory information to be provided under Article 13 (1) and (2) of the General Data Protection Regulation ("the GDPR").
- VIII.9. The Supplier shall provide PP with the necessary assistance and in the event that the GDPR and Czech law on personal data protection is applicable to the processing of the personal data of the Supplier's employees, the Supplier shall ensure that appropriate steps are taken in order to ensure that PP meets its obligations in relation to natural persons under the above-specified legislation. For these purposes,

- the Supplier declares that the basic information defined in Article 14 (1) of the GDPR is familiar to the Supplier's employees. Furthermore, the Supplier undertakes to inform its employees about PP's Privacy Policy: <https://www.prazdroj.cz/en/privacy-policy>.
- VIII.10. PP undertakes to process personal data in such a way as to avoid loss or misuse of such data and to meet all of its obligations under the GDPR. PP undertakes to use personal data exclusively for the above-mentioned purpose(s), unless otherwise provided for in a special regulation.
- VIII.11. PP will provide the Supplier the personal data of its employees for the purpose of performance under this Contract/Agreement and the operational needs related thereto, for the term of this Contract/Agreement and also for the necessary time following termination of this Contract/Agreement within the following scope of information: title/academic degree, name, surname, job title, functional department, place of work, telephone number, fax number, e-mail address and employer identification data. For these purposes, PP declares that that the basic information defined in Article 14 (1) of the GDPR is familiar to the PP's employees. The Supplier shall process personal data in such a way as to avoid loss or misuse of such data and to meet all of its obligations under the GDPR.
- VIII.12. In case of termination of any Contractual Relationship, neither of the provisions on the protection of Confidential Information and the Personal Data of PP under this Article VIII shall be affected, unless the Parties expressly agree otherwise.
- IX. The Supplier Code of Conduct and the Code of Commercial Communication**
- IX.1. The Supplier shall familiarize itself with the Supplier Code of Conduct, applicable to all suppliers of PP (hereinafter referred to as "the Code of Conduct") and undertakes to abide by the Code of Conduct while fulfilling the purpose of the relevant Contractual Relationship. Any breach of the Code of Conduct caused by the Supplier may result in PP withdrawing from the Contractual Relationship. The full version of the Code is available at <https://www.prazdroj.cz/en/our-story/important-documents>
- IX.2. The Supplier shall familiarize itself with the Code of Commercial Communication of PP, based on the PP's ethical principles (hereinafter referred to as "the Code of Commercial Communication"), and as a participant to Contractual Relationships with PP, is obliged to respect and comply with it in a particular Contractual Relationship. The Code of Commercial Communication is available via the following hyperlink: <https://www.prazdroj.cz/en/our-story/important-documents>
- X. Compensation for Damage**
- X.1. The Parties shall be liable for damage caused thereby in accordance with all the applicable legal regulations, these GT&Cs and the terms and conditions of the relevant Contractual Relationship. The Parties shall exert maximum effort in order to prevent damage and to minimize the damage incurred.
- X.2. PP shall not be liable for damage which has demonstrably been incurred as a result of a factually incorrect or otherwise erroneous instruction received from the Supplier. PP shall not be liable, to the extent permitted by the applicable legal regulations, to the Supplier for lost profits nor for any indirect, accidental and consequential damage, losses of contracts, data, operating time or loss of use of any equipment or process or a failure to reach expected results within the operation of the enterprise and the non-fulfilment of business plans. The amount of compensation for any damage caused by PP to the Supplier in connection with any Contractual Relationship shall in each case be limited to a maximum equal to the Price of the Performance under the Contractual Relationship in connection with which the particular damage was incurred.
- X.3. PP shall not be liable for any delay on its part resulting from the Supplier's delay in fulfilling its obligations.
- X.4. The Supplier shall be liable to PP without limitation for the death or injury of persons who in any way take part in the implementation of the Performance.
- XI. Circumstances Excluding Liability - Force Majeure**
- XI.1. Neither Party shall be liable for a delay in the fulfilment of its obligations caused by circumstances excluding liability (force majeure).
- XI.2. Each Party shall notify the other Party without undue delay of any circumstances that have occurred that exclude liability obstructing the due fulfilment of its obligations under the Contractual Relationship. The Parties shall undertake to exert maximum effort in order to overcome circumstances excluding liability.
- XII. Sanctions**
- XII.1. In the event of delay in the payment of a monetary sum, the Party which is in delay in the payment shall pay to the other Party late payment interest in the amount of 0.025% of the amount due for each day of delay.
- XII.2. Should the Supplier be in delay in delivery of the Performance, the Supplier shall pay to PP a contractual penalty in the amount of 0.5% of the Price for the Performance for each day of delay.
- XII.3. The arising of the claim for the payment of a contractual penalty, charging or payment thereof shall not affect PP's right against the Supplier for the recovery of damages incurred as a result of the breach to which the contractual penalty applies, including damages exceeding the size of the contractual penalty.
- XIII. Validity and Effectiveness**
- XIII.1. These GT&Cs shall come into force and effect on 25 May 2018 and shall apply to all of PP's orders issued on and after 25 May 2018 and to all Contractual Relationships concluded on and after 25 May 2018.
- XIII.2. The Contractual Relationship shall come into force and effect on the day of the Conclusion of the Contractual Relationship, unless the Parties have agreed otherwise under the particular Contractual Relationship.
- XIII.3. Save for other events of termination provided for by legal regulations of general applicability (in particular, the Civil Code) and/or set out hereunder, and unless agreed otherwise between the Parties in a particular case, the Contractual Relationship may be prematurely terminated:
- by written agreement of the Parties, which shall in principle also include the settlement of mutual obligations and receivables;
 - by written termination of the Contractual Relationship by withdrawal in the event of a material or immaterial breach of obligations under the Contractual Relationship; in the event of an immaterial breach of obligations, the

Contractual Relationship may only be terminated by withdrawal if the Party in breach, despite a written notification from the entitled Party, fails to remedy such breach within a reasonable period that the entitled Party has granted in its written notification to the other Party for the remedy of such breach, or if the other Party breaches any of its obligations under a particular Contractual Relationship for a second time at a minimum;

- (c) by written notice of termination of the Contractual Relationship by withdrawal due to the commencement of insolvency proceedings in relation to the Supplier or PP as a debtor, or if a decision has been made on the dissolution and liquidation of the Supplier or PP, or if the Supplier or PP has gone into liquidation;

The withdrawal shall be effective as of the day of delivery of the written notice of termination by withdrawal to the other Party, unless the written notice determines a later date.

XIII.4. A material breach of the Supplier's obligations under the Contractual Relationship shall include, without limitation:

- (a) a delay in the fulfilment of non-monetary obligations exceeding seven (7) calendar days and a delay in the fulfilment of monetary obligations exceeding sixty (60) days;
- (b) a breach of any of the Supplier's obligations set out in Article V hereof;
- (c) a breach of any of the Supplier's obligations set out in Article VI hereof, of which PP has notified the Supplier in writing and which, in spite of such notification, the Supplier has failed to remedy;
- (d) a breach of any of the obligations set out in Article VIII and IX. hereof.

XIV. Final Provisions

XIV.1. The Supplier shall not be entitled to transfer or assign any rights or obligations under the Contractual Relationship without PP's prior written consent. PP shall be entitled, without the Supplier's consent, to transfer or assign any rights or obligations under the Contractual Relationship to any entity within the Asahi Group.

XIV.2. If the reason for invalidity only relates to a certain provision of the Contractual Relationship or these GT&Cs, only that particular provision shall be deemed invalid, unless it is clear from the nature and/or content of such provision or the circumstances under which it was agreed or stipulated that it cannot be separated from the other content and the other provisions of the Contractual Relationship or these GT&Cs.

XIV.3. All copies of a contract, agreement, accepted order of PP or any other deed establishing the Contractual Relationship shall be of equal value and shall be considered to be the originals. In the event of any discrepancy between the individual language versions, the Czech language version shall prevail. In case that any contract, agreement, accepted order of PP or any other deed establishing the Contractual Relationship is not written in the Czech language, the wording in English shall prevail. Should the same not be written in English, the language version indicated by the Parties to the particular Contractual Relationship as governing shall prevail.

XIV.4. These GT&Cs are executed in Czech and in English. In the event of any discrepancy between the two language versions, the Czech version shall prevail.

XIV.5. Any and all previous versions of the General Terms and Conditions of PP with respect to purchase are superseded by these GT&Cs.