

GENERAL TERMS AND CONDITIONS

OF SPRINT SPOL. S R.O. (THE SUPPLIER)

valid since 1st of September 2020

1. PRELIMINARY PROVISIONS

- 1.1 These General Business Terms and Conditions (hereinafter referred to as the "**GBTC**") represent terms and conditions of **SPRINT spol. s.r.o.**, Company ID No.: 497 06 004, with its registered office at: Bečovská 1083/3, Prague 10 - Uhříněves, Postal code: 104 00, as a supplier (hereinafter referred to as the "**Supplier**") of sports equipment and other goods (hereinafter referred to as the "**Goods**") within the meaning of provisions of Section 1751 et seq. of Act No. 89/2012 Coll., Civil Code, as amended (hereinafter the "**Civil Code**").
- 1.2 The GBTC shall apply to all commercial and contractual obligations arising from purchase agreements concluded between the Supplier and its customers (hereinafter referred to as the "**Customer**" or "**Customers**"), the subject of which is the purchase and delivery of Goods and to which these GBTC are attached, or which explicitly refer to these GBTC, and the Customers had the opportunity to become acquainted with them (hereinafter referred to as the "**Purchase Agreement**"). In such a case, the GBTC become an integral part of the Purchase Agreement.
- 1.3 Under the same conditions as in the Purchase Agreement, the GBTC also represent an integral part of all agreements concluded between the Supplier and the Customer, the subject of which is the general regulation of conditions of purchase and delivery of Goods on the basis of future partial Purchase Agreements (hereinafter the "**General Purchase Agreement**").
- 1.4 Terms and conditions other than the GBTC shall not apply to the obligations arising from the Purchase Agreement, even if they are known to the Supplier or have been submitted to it in connection with the Purchase Agreement being concluded, unless the Purchase Agreement, General Purchase Agreement, these GBTC or other written agreement between the Supplier and the Customer expressly state otherwise.
- 1.5 If the GBTC refer to other special business terms and conditions concerning, without limitation, the conditions applicable to complaints or purchase and delivery of Goods of specific types or brands, or interpretative rules, or business terms and conditions prepared by third parties (hereinafter the "**Special BTC**"), these Special BTC also represent an integral part of the GBTC.
- 1.6 All the above-mentioned contractual documents complement each other, or explain and interpret, consistent with each other. In case of a conflict, their interpretation is governed by the following order of priority:
 1. Purchase Agreement including all annexes;
 2. General Purchase Agreement including all annexes;

3. Special BTC within the GBTC;
4. These GBTC including all annexes.

In the event of a conflict between the provisions of the Purchase Agreement and the GBTC, the provisions of the Purchase Agreement shall prevail. In the event of a conflict between the General Purchase Agreement and the GBTC, the provisions of the General Purchase Agreement shall prevail, and in the event of a conflict between the General Purchase Agreement and the Purchase Agreement, the provisions of the Purchase Agreement shall prevail.

- 1.7 The Supplier is entitled to change, to a reasonable extent, the GBTC, including all annexes, as well as the Special BTC and other terms and conditions and documentation to which it directly refers to. The stated changes are binding on the Customer in relation to the already concluded Purchase Agreements or General Purchase Agreements, provided that the Supplier notifies the Customer about these changes in writing. In such case, the Customers are entitled to reject the changes of the GBTC within 30 days of the notification and to terminate the Purchase Agreement or the General Purchase Agreement for this reason with a notice period of 30 days, which begins on the day following the delivery of the written notice to the Supplier.

2. PROCEDURE FOR CONCLUDING PURCHASE AGREEMENTS

- 2.1 Unless the GBTC stipulate otherwise, the Purchase Agreement is concluded between the Supplier and the Customer (i.e. the Purchase Agreement becomes valid), regardless of its form (i.e. oral, paper, electronic, implied, etc.), at the moment when the common will of the Contracting Parties in relation to the purchase and delivery of specific Goods is declared, at least to the extent of the essentials of the Purchase Agreement in accordance with the Civil Code.
- 2.2 The Purchase Agreement becomes valid
 - a) at the moment of acceptance of an order by the Supplier;
 - b) on the day of acceptance of the Supplier's offer by the Customer;
 - c) on another day agreed in the Purchase Agreement (i.e. at its conclusion).
- 2.3 Acceptance of an order, resp. acceptance of an offer with reservations, changes or additions to the original proposal by the other Contracting Party shall be considered as a new draft of the Purchase Agreement.
- 2.4 Acceptance of an order by the Supplier takes place either when the order is accepted in writing, or when the Supplier starts to provide the ordered performance to the Customer within the period for acceptance of the order.
- 2.5 In case of an oral or implied order of the Customer (i.e. orders not recorded in writing, e.g. personal, by phone, etc.), the Purchase Agreement will be concluded provided that the Supplier delivers the Customer a written confirmation with the agreed content of the Purchase Agreement no later than 3 working days after receiving the order, assuming that the content of the Purchase Agreement corresponds to this written confirmation of the Supplier, unless the Customer rejects the content of the Purchase Agreement in writing or

submits a reservation to it within 3 working days from the receipt of the written confirmation. All guarantees and assurances related to the performance under the Purchase Agreement submitted orally by the Customers to a Supplier's representative or employee are invalid unless the Supplier confirms them in writing.

- 2.6 Notwithstanding paragraphs 2.1, 2.2, 2.3, 2.4 and 2.5 of the GBTC, the Purchase Agreement becomes valid and effective no later than at the moment of receipt of the Goods by the Customer.
- 2.7 Unless the proposer expressly states otherwise, all proposals for the conclusion of the Purchase Agreement, i.e. the Supplier's offer submitted to the Customer; the Customer's order submitted to the Supplier; or other contractual proposals submitted to the other Contracting Party, are binding for a period of 10 days from the day when such declaration of will is submitted to the other Contracting Party. The submission of the declaration of will, irrespective of its form, is considered to be the moment when the addressee is demonstrably acquainted with it. Any changes in the submitted proposal for the conclusion of the Purchase Agreement made by the proposer, or a new proposal, are possible only with the written consent of the addressee, or after the expiration of the deadline for acceptance of the original proposal in vain.
- 2.8 The GBTC normally regulate the conditions of Purchase Agreements applicable to the purchase and delivery of seasonal Goods during the winter or summer season, unless it is specifically stipulated that these are the conditions applicable to the so-called "pre-orders", i.e. the arrangement of the purchase and delivery of Goods in advance for the following season, implemented on the basis of bulk pre-season orders (hereinafter referred to as "Pre-Orders").
- 2.9 Unless otherwise stated herein, all of the above regarding the procedure of the Contracting Parties for concluding Purchase Agreements shall also reasonably apply to the procedure for concluding General Purchase Agreements.

3. PRICE, PAYMENT METHOD AND PAYMENT TERMS

- 3.1 The price of the Goods is the price stated in the official **Price Lists of SPRINT spol. s r.o.** (hereinafter referred to as the "**Supplier's Price List**") valid at the time of concluding the Purchase Agreement, unless otherwise agreed in writing. Regarding the binding nature of the Supplier's Price Lists, including a special price list of individual brands represented by the Supplier, and their possible changes, the paragraph 1.7 of the GBTC applies to reasonable extent.
- 3.2 In addition to paragraph 3.1, the Supplier reserves the right, based on a prior written notice to the Customer, to adjust the price at any time before the delivery of the Goods so that it reflects any increase in acquisition costs of the Goods incurred by the Supplier that would have to be reimbursed as a result of any unexpected events beyond Supplier's control.
- 3.3 The price of Imported Goods includes all customs duties. This price is without VAT and does not also include any costs or fees related to unloading, transport and insurance. The Customer is obliged to pay these payments together with the purchase price within the due date of the purchase price for the delivered Goods. Unless the Customers and the Supplier

agree within the special contractual arrangements otherwise, the amount of these fees shall also be governed by the Supplier's Price List (ad 3.1 GBTC).

- 3.4 Unless the Purchase Agreement stipulates otherwise, the purchase price for the Goods, including VAT and other charged costs related to the proper and timely delivery of the Goods, is due within 30 (thirty) days from the date of issue of the invoice – tax document.
- 3.5 If the Customer does not pay the Supplier any properly charged amount by the due date, it will be charged a default interest in the amount of 0.05% of the due amount for each started day of delay.
- 3.6 The Customer is not entitled, without the consent of the Supplier, to set off or otherwise withhold the purchase price duly charged by the Supplier as well as other fees, for/against the fulfilment of any of its receivables.
- 3.7 The Supplier is entitled to verify the creditworthiness, credit history, solvency or other indicators of the Customer's payment morale and on this basis to demand from the Customer an advance or other guarantee of proper payment if the Supplier considers this measure necessary to secure its receivables. The Customer is not entitled to demand from the Supplier an interest on the provided advance payments or on the guarantee of securities.
- 3.8 The Customers are obliged to inform the Supplier of any significant adverse changes concerning their financial situation, without an undue delay, after they have been acquainted with such circumstances.
- 3.9 The Customer is not entitled to assign the Purchase Agreement, its part or an individual receivable from the Supplier without its prior written approval. The Supplier is entitled to assign the Purchase Agreement, its part, as well as an individual receivable from the Customer to any third natural and legal persons, provided that it notifies the Customer of this intention in writing and in advance.

4. DELIVERY CONDITIONS, TERMS, DELIVERY METHODS

- 4.1 The Supplier shall deliver the Goods to the Customer at the place, date, quantity and quality agreed in the Purchase Agreement.
- 4.2 If the delivery period is determined by a delivery term, the Supplier is entitled to deliver the Goods at any time during this term.
- 4.3 If the delivery term is determined by a term, the agreed delivery terms of the Goods are indicative. If there is a delay in the delivery of the Goods within 30 days from the date of the expected delivery term, the Customer has no right to withdraw from the Purchase Agreement.
- 4.4 If the delivery date is not specified, the Supplier shall inform the Customer about the delivery of the Goods at least 3 (three) days before the day of the planned delivery.
- 4.5 Unless the Purchase Agreement stipulates otherwise, the delivery of the Goods is made under the trade conditions of **EXW – Prague 10 – Uhřetěves (INCOTERMS 2010)**. The Performance shall be deemed delivered at the moment when the Supplier allows the Customer to dispose of the Goods at the agreed place of delivery. If the Supplier sends the

Goods to the Customer, the performance shall be deemed to have been delivered at the moment of its handover to the first carrier for the transport of the Goods to the Customer. The type of transport is determined by the Supplier. Shipping and packaging costs are paid by the Customer. The Supplier is obliged to insure the Goods for transport only if this is expressly agreed in the Purchase Agreement.

- 4.6 Delivery of the Goods by the Supplier is conditioned by timely handover of all documents, obtaining the necessary permits, consents and approvals and providing the necessary cooperation by the Customer, as well as proper compliance with payment terms and fulfilment of all other contractual obligations of the Customer.
- 4.7 If it is agreed to provide an advance payment for the Goods, the Supplier is not obliged to deliver the Goods before payment of such advance by the Customer.
- 4.8 If the Customer is in delay with payment to the Supplier for the already delivered Goods, the Supplier is not in delay if the delivery of the Goods is conditioned by the proper payment of the previous payment by the Customer.
- 4.9 The delivered Goods remain the property of the Supplier until full payment of the purchase price and all other costs associated with the delivery of the Goods payable under the Purchase Agreement. Until the passage of ownership of the Goods to the Customer, the Customer is obliged to keep the received Goods in a satisfactory condition and store them separately from its other goods. The Customer is obliged to properly insure the taken-over Goods, or in the event of their resale, which occurs before the full transfer of ownership, to assign its receivables from these sales to the Supplier. Any such resale of these Goods may only take place in the normal course of the Customer's business and at the full market price.
- 4.10 In the event that the Customer does not pay the amount invoiced according to the Purchase Agreement properly and on time, it gives the Supplier permission to remove the Goods from the Customer's warehouse (store) in the amount of such unpaid invoice. The value of the purchased Goods means the value in the purchase prices of the Customer.
- 4.11 The Customer shall a) accept the Goods within the agreed term and/or within the term notified to it by the Supplier in accordance with paragraph 4.4 of the GBTC; b) duly confirm the receipt of the Goods on the delivery note or in the handover report, and c) send (hand over) a confirmed copy to the Supplier.
- 4.12 If the Customer has further processed the Goods, or if it is further transferred to the ownership of a third party, the Goods are considered delivered and taken over without defects. This does not affect the Supplier's guarantee for quality resulting from the Complaints Handling Rules of SPRINT spol. s r.o., which forms an integral part of the GBTC as Annex No. 1.
- 4.13 The Customer is obliged to ensure the timely return of returnable packaging according to the transport instructions stated on the accompanying document, or in the invoice for the Goods.
- 4.14 In the event that the Customer does not take over the performance even 15 days from the delivery date, the Supplier is entitled to store the Goods at the expense and risk of the Customer, and a storage fee in the amount of 0.1% of the sales price of the Goods per each day of delay with its takeover is agreed for this purpose, which shall be paid by the Customer to the Supplier. If the Customer fails to take over the performance even within the

additionally determined period of at least 30 (thirty) days, the Supplier is entitled to withdraw from the Purchase Agreement without further notice and charge the Customer, in addition to damages and storage fee, also a contractual penalty of 30% (thirty percent) of the sales price of the Goods, and the Customer is obliged to pay the amounts in question on the basis of their billing by the Supplier.

4.15 The Supplier reserves the right to postpone or cancel the delivery term or reduce the delivered volumes if circumstances prevent it from doing so outside the Supplier's normally anticipated control, or if these circumstances cause a delay in delivery. These include the following events, without limitation: force majeure, government intervention, war or a national state of emergency, terrorist attacks, protests, insurrection, fire, explosion, flood, plant lockouts, strikes or other labour disputes, fuel shortages or other obstacles or delays with an impact on the carrier, the inability to obtain the supply of raw materials or suitable material or delays in such delivery.

4.16 A standard delivery term for orders created during the winter season (hereinafter referred to as “**Additional Orders**”) is 2 to 4 working days from placing the order in the B2B system. If the order is placed in another way, processing is charged at CZK 500 (EUR 20) and the delivery term may be up to 10 working days. The minimum value of performance for Additional Orders is CZK 1.000 (wholesale price without VAT before discount), otherwise an administrative fee of CZK 100 (EUR 4) is charged. An invoice for Additional Orders during the season is due in 30 days, unless otherwise stated.

4.17 **Prices of transport of Additional Orders** during the season are governed by the following tariff:

a) Package (price per one package excluding VAT)

Czechia	Slovakia	Baltics	Hungary
79.00 CZK	EUR 5.00	EUR 10.00	EUR 8.00

rates for shipments in non-standard sizes are always set according to the relevant price of the carrier

b) Pallet – according to the current price of the carrier

c) Cash on delivery

Czechia	Slovakia	Baltics	Hungary
30.00 CZK	EUR 2.00	EUR 4.00	EUR 4.00

4.18 **Return of goods** is only possible in the event of a demonstrable product defect or due to incorrect shipment by the Supplier. Other cases are always resolved individually in agreement with the Customer.

4.19 **A corrective tax document (ODD)** is issued when returning the Goods, depending on whether a discount has been applied to the invoice or not. If the Goods are returned before the invoice is due and it is therefore not clear whether or not the discount was applied, and the return of the Goods occurs for a reason other than a complaint, a corrective tax document is automatically issued for the amount reduced by the discount without the right to later price adjustment in case of late invoice payment.

5. SPECIAL CONDITIONS FOR PRE-ORDERS

- 5.1 Unless otherwise stipulated for individual types of Goods or brands in the Special BTC, especially in relation to pre-order discounts, purchase minimums and delivery terms of the Goods, these GBTC apply to the purchase and delivery of Goods within the framework of Pre-Orders.
- 5.2 The Supplier reserves the right to correct the delivery terms if there are changes in the terms on the part of the manufacturer of the Goods. All prices in the Supplier's price lists are listed without discounts.
- 5.3 Pre-orders are always given priority over Additional Orders when shipped.
- 5.4 The due term of the purchase price for pre-ordered Goods is 60 days.
- 5.5 Transport for Pre-Orders is paid by the Supplier.
- 5.6 Turnover discounts for Pre-Orders are governed by the Special BTC of individual brands. Turnover discounts also apply to current orders of Goods in the periods from 1st September of the current year to 31st August of the following year (it does not apply to discounted Goods, term "super promotions" and other offers with a net price).
- 5.7 Turnover discounts according to paragraph 5.7 of the GBTC are awarded to the Customer only if the proper due term of the invoice is met. In the event that the Customer does not pay the invoice within the specified due term, the right to a discount within the given invoice expires. The Customer is not entitled to a discount even if it has other outstanding debts to the Supplier overdue.

6. SELECTED PROVISIONS ON LIABILITY FOR QUALITY AND QUANTITY

- 6.1 When handling a complaint, the Customer shall proceed according to the **Complaints Handling Rules of SPRINT spol. s r.o.**, (see Annex **No. 1** to GBTC);
- 6.2 If the Supplier is liable to the Customer for damage resulting from the sale and purchase of the Goods, the damages will never exceed the net invoiced amount of the relevant delivery and will not include consequential or indirect damages, especially lost profit, loss of business reputation or compensation for missed opportunities. No provision of these GBTC, including the Complaints Handling Rules of SPRINT spol. s r.o. does not exclude or limit liability if the damage is caused by gross negligence or wilful misconduct, or if there is an injury to persons or damage to private property.
- 6.3 The Supplier provides a quality guarantee for the delivered Goods for a period of 36 months from the date of delivery, or from the date of issue of the invoice, whichever is the earlier.
- 6.4 No complaint for a quality defect is accepted if the product has been modified, neglected, improperly stored, damaged or used by the Customer in a manner that has negatively affected its functionality.
- 6.5 In the event that a complaint discount has been provided to the Customer, the Customer is always obliged to send the Supplier a list of justified complaints at the end of the quarter. If it fails to do so, it is obliged to repay the complaint discount.

7. PROTECTION OF TRADE SECRETS AND INTELLECTUAL PROPERTY ITEMS

- 7.1 Customers shall offer for sale and place on the market the Goods bearing the trademarks (logos) of the Supplier (SPRINT spol. s r.o.) in the form in which they are delivered to the products and without any modifications.
- 7.2 The Customer may not, without the express permission, exercise any right to the intellectual property of the Supplier or the Supplier's partner companies, including, without limitation, trademarks, domain names, trade names, labels, registered industrial designs and patents of manufacturers of the Goods represented by the Supplier.
- 7.3 The Customer does not have the right to register trademarks, domain names, sub-brand names or other trade names that could be confused with trademarks, sub-brand names or other trade names of the Supplier or the manufacturers of Goods represented by the Supplier.
- 7.4 The Customer shall immediately inform the Supplier if it learns that third parties have violated the rights mentioned above in this article, or that the Goods of the manufacturers represented by the Supplier are copied or counterfeit.
- 7.5 The Customer undertakes to keep all confidential materials, information and trade secrets obtained from the Supplier in strict secrecy and not to use such information or trade secrets for any purpose other than to fulfil the Purchase Agreement. The Customer is responsible for ensuring that all its employees and all subcontractors comply with the above provisions on confidentiality of information. The obligation to maintain the confidentiality of information continues for 10 years after the end of cooperation.

8. TERMINATION OF THE PURCHASE AGREEMENT

- 8.1 The Supplier is entitled to terminate the Purchase Agreement by giving two months (2) notice. The notice must be delivered in writing to the Customer's address or to its e-mail address or otherwise according to the provisions of the Purchase Agreement.
- 8.2 The Supplier's right to terminate the Agreement as stated above pursuant to paragraph 8.1 of the GBTC does not affect the Supplier's right to immediate termination of the Agreement or interruption of any other supplies, if:
- The Customer has not paid its liability overdue within 7 (seven) days upon sending of the reminder;
 - The Customer has not made the agreed advance payment or security;
 - The Customer has entered into liquidation or insolvency proceedings are being initiated against it or is in bankruptcy;
 - The Customer has breached its contractual obligations and has not remedied the breach even within fourteen (14) days from the date of delivery of a written request of the Supplier;
 - The Customer has interrupted or terminated the performance of the objects of its business or activity.

9. FINAL PROVISIONS

- 9.1 Non-assertion or delay of the Supplier with the assertion of any provision of these GBTC or the Purchase Agreement cannot be considered as a waiver of any right arising from them.
- 9.2 Legal relationships of the Contracting Parties regardless of their domicile are governed by the law of the Czech Republic. If the partial agreement, Purchase Agreement, General Purchase Agreement, Special BTC as well as these GBTC not stated otherwise, the provisions of the Civil Code shall apply on the relationships of the Contracting Parties. The application of the provisions of Sections 1764 through 1766, Sections 1793 through 1795, 1799, Section 1800, Section 1805 and Section 2050 of the Civil Code is expressly excluded.
- 9.3 All property disputes of the Contracting Parties arising from or in relation to the GBTC will be finally decided by the Czech general courts with the substantive and local jurisdiction according to the registered office of the SPRINT.
- 9.4 These GBTC replace any different framework business conditions of SPRINT and will apply to already valid agreements concluded before the entry into force of these GBTC under the conditions specified in paragraph 1.7 above.
- 9.5 These GBTC enter into force on the day of their issue and enter into effect on **1. 9. 2020** and remain valid and effective until revoked or until their update is released.

Issued in Prague, 24. 8. 2020

SPRINT spol. s r.o.
signed by Ing. Michal Olekšák
CEO

Annexes:

1. *Complaints Handling Rules of SPRINT spol. s r.o.*