

GENERAL COMMERCIAL TERMS AND CONDITIONS

TESLA Liptovský Hrádok, a.s.

1. General provisions

1.1. The General Commercial Terms and Conditions are in full effect unless agreed otherwise by and between a Seller and a Buyer under a purchase agreement, framework agreement, innominate contract and/or business correspondence in writing. The General Commercial Terms and Conditions shall also apply to the case where a contract for the work done is made and in that case, contractor' rights and obligations shall be governed by the Seller's rights and obligations specified herein and client's rights and obligations shall be governed by the Buyer's rights and obligations specified herein.

1.2. For the purposes hereof, the Seller is company TESLA Liptovský Hrádok a.s having its registered office on Pálenica 53/79, 033 017 Liptovský Hrádok, Company Identification Number: 00 009 687.

1.3. For the purposes hereof, the Buyer is a person (a legal or natural person, possibly an association of such persons with legal subjectivity) who has entered into a contractual relationship with the Seller and to whom goods are to be supplied.

1.4. Goods are all goods supplied by the Seller to the Buyer based on an order, purchase agreement or possibly a contract for the work done or other contractual relationship made under terms and conditions specified in Article 2 hereof.

1.5. The Seller shall inform the Buyer on each and every amendment and supplement to the current terms and conditions in writing.

1.6. Documents attached to offers, such as drawings, data on mass, catalogues, technical terms and conditions and the like are not binding unless explicitly indicated by the Seller.

1.7. The Buyer may not transfer rights and obligations arising from contracts made by and between the Buyer and the Seller to third persons without a Seller's consent granted in advance in writing.

1.8. If special terms and conditions are not set out under a contract, the Seller is obliged to supply the goods having the quality and accessories fit for the purposes for which the goods are used.

2. Creation of a Contract

2.1. A legal relationship is established between the Seller and the Buyer based on a written or oral contract or an order confirmed.

2.2. The order must be in writing or it must be sent via e-mail, and the order must indicate the goods, a place of delivery and a required delivery date.

2.3. The order shall become binding for the Seller upon its confirmation made by the Seller to the Buyer; if a period for confirmation is indicated in the order, the order must be confirmed within such period. The confirmation may be provided by the Seller in writing, via facsimile or e-mail sent to contact data specified in the order or possibly in a framework agreement (or similar legal document) if such framework agreement (or similar legal document) has already been made by and between the Seller and the Buyer.

2.4. A contract based on the order and its confirmation and these General Commercial Terms and Conditions will also be formed by confirming the order placed by the Buyer to the Seller.

3. Packaging of Goods

3.1. The goods are supplied in the packaging fit for an agreed type of the goods. Transport terms and conditions will be agreed upon so that the goods is not damaged during transport until it is delivered to an agreed destination of transport.

3.2. Packaging and costs associated with packaging shall be paid by the Buyer. The packaging and fixation material used shall be returned if explicitly agreed so.

4. Prices

4.1. A price is VAT exclusive and associated VAT will always be invoiced in line with legal regulations unless stated otherwise in this Article. The Seller may send an invoice showing a price electronically. A full price is due before the goods are supplied unless a particular maturity date is specified in the order or contract. In case that the maturity date falls due after the goods are supplied and a time of payment is:

- from 31 to 60 days, the Buyer is entitled to a discount of 0.4% on a VAT exclusive price of the goods;
- from 61 to 90 days, the Buyer is entitled to a discount of 0.8% on a VAT exclusive price of the goods;
- more than 91 days, the Buyer is entitled to a discount of 1.2% on a VAT exclusive price of the goods

if the Buyer accepts the possibility of paying for the invoice within 14 days after the issuance of the invoice.

4.2. Unless agreed upon otherwise, the Seller reserves a right to open negotiations on increasing the price due to inflation or if a price of transport and energy increased and taxes or deductions were raised over the duration of the contract.

4.3. The Seller is entitled to increase the price of the goods supplied unilaterally in case that prices of input material (or some input material) increased by more than 15 % in the course of the period from the execution of the contract to the delivery of the goods – in that case, the Seller shall inform the Buyer about such fact, and such change shall take effect by delivering such notice to the Buyer and the Buyer is obliged to pay the increased purchase price.

4.4. Delivery of Goods within the EU

4.4.1. Goods shall be delivered to other EU member state for a zero rate (i. e. exempt from VAT while the Seller may claim the associated input VAT) in line with Section 43 of Slovak Act no. 222/2004 Coll. on Value Added Tax as amended under the condition that a deliverer is registered for VAT in other EU member state.

4.4.2. If the goods are transported by a transportation company on account of the Buyer or the Seller, the Buyer or a person authorized by him is obliged to confirm the receipt of the goods in other EU member state via a properly filled-in document on the transport of the goods from Slovakia to other EU member state (CMR transport document, CIM transport document, a Bill of Lading, a Waybill or similar transportation documents) for the purposes of VAT exemption. The Buyer undertakes to confirm a date of the receipt of the goods and indicate a name, surname and signature of a person who accepted the goods and put the Buyer's stamp on a respective transportation document and a delivery note.

4.4.3. If the goods are transported by the Buyer or the Seller himself, a confirmation on receipt of goods issued by the Buyer or a person authorized by the Buyer must indicate especially (i) the Buyer's identification, (ii) an amount and type of the goods, (iii) delivery address, (iv) a date of the receipt of goods or the end of transport to other EU member state, (v) a driver's name, surname and signature, and (vi) a licence plate number of a vehicle delivering the goods. The delivery note must be confirmed in the same way.

4.4.4. The Buyer undertakes to immediately provide the Seller with a copy of the transportation document confirmed if the Buyer or the Seller transported the goods via a transportation company (point 4.3.2), or with the document on receipt of goods (point 4.3.3) and the delivery note confirmed in way specified in points 4.3.2 and 4.3.3 hereof no later than within 30 days after the goods are received by the Buyer.

4.4.5. If the Buyer does not confirm the delivery of the goods in way specified in points 4.3.2 and 4.3.4, the delivery of the goods shall not be considered the delivery for a zero rate under Section 43 of Slovak Act no. 222/2004 Coll on Value Added Tax as amended. In such case, the Seller is obliged to apply Slovak VAT to the delivery of the goods and the Buyer shall pay it within three days after the receipt of a debit note. The Buyer also agrees that for the breach of his obligation to confirm the delivery of the goods, the Buyer shall pay the Seller a contractual fine amounting to a potential sanction which the Seller will have to pay to a tax authority. The Buyer undertakes to pay the contractual fine within three days after the receipt of a Seller's notice in writing. An effective decision on the imposition of a fine and/or a penalty shall be attached to the notice. A claim for compensation shall not be affected.

4.4.6. The Seller is entitled to charge a fee amounting to EUR 100 ("one hundred euros" every time he sends a formal request for fulfilling the obligation arising from point 4.4.4. also repeatedly.

4.5. Export of goods

4.5.1. The delivery of goods to a destination of transport located outside the EU shall be exempt from VAT with a claim to deduct the input tax under Section 47 of Act no. 222/2004 Coll on Value Added Tax as amended on condition that the transport is ensured by the Seller or on behalf of the Seller by other person. As long as the transport of goods to a destination located outside the EU is ensured by the Buyer or on behalf of the Seller by other person, the delivery of goods is exempt from VAT if the Buyer does not have seat or establishment in the Slovak Republic:

4.5.2. For the purposes of VAT exemption, the Buyer is obliged to immediately confirm and provide a duly filled-in document proving the transport of goods from the Slovak Republic to the destination outside the EU, and a Unified Customs Document (UCD) in which the export of goods will be confirmed by an authorised customs office.

4.5.3. The Buyer undertakes to immediately provide the Seller with a copy of a transportation document proving the export of the goods to the destination outside the EU and of a corresponding

Unified Customs Document (UCD) in which the export of the goods is confirmed by an authorized customs office, no later than by 30 days as from the receipt of the goods.

4.5.4. If the Buyer does not confirm the transport of the goods in line with points 4.5.2 and 4.5.3, the delivery of the goods shall not be considered the delivery for a zero rate under Section 43 of Slovak Act no. 222/2004 Coll on Value Added Tax as amended. In such case, the Seller is obliged to apply Slovak VAT to the delivery of the goods and the Buyer shall pay it within three days after the receipt of a debit note. The Buyer also agrees that for the breach of his obligation arising from point 4.5.2 and 4.5.3, the Buyer shall pay the Seller a contractual fine amounting to a potential sanction which the Seller will have to pay to a tax authority. The Buyer undertakes to pay the contractual fine within three days after the receipt of a Seller's notice in writing. An effective decision on the imposition of a fine and/or a penalty shall be attached to the notice.

4.5.5. The Seller is entitled to charge a fee amounting to EUR 100 ("one hundred euros") every time he sends a formal request for fulfilling the obligation arising from point 4.4.4. also repeatedly.

5. Forecasts

5.1. If it concerns recurrent deliveries (under a framework contract), the Buyer is obliged to submit to the Seller an assumed scope of the required deliveries for the following calendar year (i.e. annual forecast) no later than by the end of November of the calendar year immediately preceding a calendar year for which forecast is prepared.

5.2. The Buyer shall provide the Buyer with an exact forecast which is binding for the Buyer for the given calendar quarter (i.e. three-month forecast) no later than 15 days before a calendar quarter.

5.3. If the Buyer breaks his obligations under points 5.1 and/or 5.2 and he does not provide the Seller with the forecasts, the Seller will decide on the scope and delivery times of the goods depending on his capacity.

5.4. The Buyer is aware of the fact that if he does not meet the three-month forecast provided by him, the Seller will suffer damage amounting at least to a value of the stock due to the accumulation of excessive stock and the Seller will be entitled to require the Buyer to compensate him for the damage and the Buyer hereby undertakes to compensate the Seller for the damage within five days after the Seller call on him to do so and specifies the amount thereof at the same time.

5.5. In case of the first year of the contractual relationship, i.e. the year in which a contract is made, the Buyer shall provide the Seller with the annual forecast upon the execution of the contract.

6. Safety stock

6.1. If the Buyer requests the creation of the so-called safety stock (i.e. a form of guarantee where an extra stock is maintained to ensure the delivery of the goods to the Buyer) and the Buyer and the Seller have agreed on the scope and conditions of the creation thereof, the Buyer is obliged to inform the Seller about the termination of a contractual relationship or a project for which the safety stock has been created, if terminated, in advance so that it is possible to deliver the whole volume of the safety stock to the Buyer by the day when the contractual relationship ceases to exist.

6.2. In the event that the Buyer does not fulfil his obligation under preceding point 6.1, the Buyer is obliged to buy all the safety stock which was not bought as at a termination date from the Buyer.

7. Customization of Goods

7.1. In case that the Buyer requires samples of the goods being a subject of the supply to be made and samples will be made from other than standard materials used by the Seller, the Buyer is obliged to pay for full costs associated with the customized production of such samples also in case that the Buyer finally decides not to buy the goods.

7.2. The compensation of costs under point 7.1 falls due within five days after the Seller calls on the Buyer to do so.

8. Terms of Delivery

8.1. The delivery of goods is governed by EX WORKS clause (EXW under Incoterms).

8.2. Unless explicitly agreed upon otherwise in the order and/or the contract, the non-fulfilment of a delivery period shall be considered a serious breach of the contract only if default is more than 90 days.

8.3. The Seller may supply the goods in partial deliveries also before an agreed delivery period expires.

8.4. The Seller shall insure the transport of the goods only in case of an explicit agreement in writing specified in the order and/or the contract.

9. Payments

9.1. The payment will be considered made only in case that a full sum owed is credited to the Seller's account and the sum is at the Seller's full disposal.

9.2. In the event that the Buyer does not pay the sum owed in due time, the Buyer is obliged to inform the Seller on a final date on which the sum owed will be paid. In case of default, the Seller is entitled to charge the Buyer with a default interest for a period from a due date of the sum

owed to the payment of the full sum owed, namely 0.05 % of the sum owed for each day in default which has already started.

9.3. If the Buyer defaults on the fulfilment of his obligations, the Seller may discontinue fulfilling all orders and performing all contracts made with the Buyer. Such suspension shall not be considered a breach of the contract.

10. Transfer of ownership

10.1. The goods supplied by the Seller are in ownership of the Seller until a full purchase price (including VAT, if to be paid) is paid.

11. Force Majeure

11.1. If the situation which could not have been assumed upon the execution of the contract and which impedes the Seller from fulfilling his contractual obligations arises, the Seller may postpone a date of the fulfilment by the time for which the Seller was being impeded from fulfilling his obligations and by an adequate time necessary for the Seller to commence his common operation.

11.2. Force majeure shall include also events out of the Seller's control, for example wars, riots, conflicts, strikes, various measures adopted by authorities, natural disasters, late deliveries not caused by the Seller and similar force majeure events which intervene into the fulfilment of the Seller's contractual obligations.

12. Complaints

12.1. The Seller is liable for defects the goods have at the moment of delivery. If a warranty on the goods has been granted by the Seller, the Seller is liable for defects which happen to occur during a warranty period.

12.2. A complaint will be assessed within one month after the complaint is officially received. The Seller is obliged to inform the Buyer on a result of the assessment within such period. The Buyer must send the complaint via facsimile, by mail or electronic mail. In case of a defective product, the Seller may request that the product or possibly samples are sent to him if the amount of supplied goods is high.

12.3. The Buyer is obliged to assert a warranty claim to obvious defects delivered amount of the goods within 15 days as of the delivery of goods. In case of latent defects, a warranty period is two years as from the delivery of goods.

12.4. If it concerns removable defects, the Buyer has a right to their free-of-charge removal or to the replacement of a defective product. If it concerns non-removable defects, the Buyer has a right to the replacement of goods and/or an adequate price discount. In case of the lack of goods, the Seller shall supply the missing amount and/or issue a credit note for a purchase price of the missing amount of the goods.

12.5. In case of an unreasonable complaint, the Buyer is obliged to compensate the Seller for all costs the Seller has incurred in assessing the reasonableness of the complaint.

13. Liability

13.1. The Seller is liable only for direct damage caused by or associated with the breach of his contractual obligations, limited by the scope of the Seller's liability as specified below in this Article. The Seller is not liable for any indirect damage, lost profits, contractual fines, loss of business opportunities or potential claims raised by third parties.

13.2. The Seller and the Buyer hereby agree that the Seller's obligation to compensate damage hereunder shall be governed by the rules agreed in this Article hereof and damages shall be limited to double the invoiced price of a defective product.

13.3. The Buyer and the Seller hereby agree that the above-mentioned limitations are the maximum amount of potential damage which were assumed or could have been assumed by the Seller being an obligor as a potential result of the breach of his obligation at the moment of the execution of the contract, with respect to the facts about which the Seller as an obligor knew or should have known in exercising due care.

13.4. Should the Buyer claim damages for the damage suffered, the Buyer must send an official request describing the breach and a required sum of damages properly via facsimile, by post and e-mail. The Seller shall assess such request and he shall send the Buyer his official statement.

14. Service

14.1. The Seller is obliged to ensure the service of products for the Buyer if agreed explicitly under an individual agreement.

14.2. Exact service requirements are specified in the manual and potentially in a warranty card of a product concerned (if the warranty has been granted).

15. Feedback – postmarketing services

15.1. The Buyer is obliged to provide the Seller with a feedback via a satisfaction questionnaire which will include questions concerning the feedback from end customers and consumers.

15.2. The Buyer is obliged to inform the Seller about any amendments to legislation applying to the market on which products are put.

15.3. The Seller is entitled to mention the Seller as his reference in his advertisement and marketing materials and webpage.

16. Amendments to the terms and conditions

16.1. The Seller may make amendments hereto by publishing the amendments or potential new wording on his internet webpage, and as of that moment, the amendment shall take effect for all subsequent orders and contracts made after that date.

17. Final provisions

17.1. His registered office is a place where contractual deliveries are fulfilled.

17.2. All the Buyer's and Seller's rights and obligations arising from the contractual relationships or in relation to them or breaches, expiry or validity thereof which are not specified herein shall be governed by relevant statutory provisions of the Slovak Republic especially by provisions of Act no. 513/1991 Coll Commercial Code as amended and other generally binding regulations without regard to conflict of law principles.

17.3. The Buyer and the Seller undertake to solve disputes, disagreements or claims arising from or associated with contractual relationships or the breach, expiry or ineffectiveness thereof at first by negotiating to avoid lawsuits and solve them by mutual agreement. If the Parties do not reach an agreement, the dispute, disagreements or claims arising from or associated with contractual obligations or the breach, expiry or ineffectiveness thereof shall be solved by a competent court of the Slovak Republic.

17.4. The ineffectiveness of some provisions hereof shall not affect the effectiveness of other provisions hereof. Provisions of legal regulations as similar in content and purpose as possible shall be applied instead of such ineffective provisions.

17.5. The Buyer has read these entire General Commercial Terms and Conditions and fully understands and agrees with the contents hereof.

V Liptovskom Hrádku, 01/07/2019

The Seller:

The Buyer:

.....

.....