

GENERAL BUSINESS TERMS

Issued by the company **Oak Eurasia s.r.o.**, ID No.: 28219091, Tax No.: CZ28219091, with its registered seat at Plzeň, Černice, Konvalinková 820/12, Postal Code 326 00, Czech Republic, registered in the Commercial Register maintained by the Regional Court in Pilsen, Section C, Insert 23206 (“OAK”), in accordance with Section 273 of the Act No. 513/1991 Coll., Commercial Code, as amended (“Commercial Code”):

I.

GENERAL PROVISIONS

1.1 Subject of Regulation

These General Business Terms (“GBT”) govern the rights and duties of parties mentioned in a Sales Contract or Service Contract (“Contract”) concluded between OAK as Seller or Provider on one side and Customer as Buyer or Client on the other side (“Customer”). GBT apply without reservations, the validity of Customer’s own business terms is excluded, unless validity of Customer’s business conditions is explicitly accepted by OAK in writing.

1.2 Part of Contract

These GBT are an inseparable part of each Contract concluded between OAK and Customer within the regime of Commercial Code. Possible divergences from GBT must be explicitly stated in Contract. Verbal arrangements without written confirmation do not have any validity.

1.3 Definitions

Names used in these GBT are defined in a separate document - Definitions.

1.4 Order

Offers of OAK shall not be binding and shall have temporary validity. Contract shall be concluded only with OAK’s written confirmation of the order. If an order is an offer to conclude a contract under Sec. 43a of the Act No. 40/1964 Coll., Civil Code, as amended, then OAK shall have the right to accept it within 2 (two) weeks. Each Performance is an individual contractual relationship between OAK and Customer, which shall be executed under conditions set by these GBT and further by Contract. The minimum amount of order is set at EUR 80 (eighty euros), excluding VAT, unless OAK states otherwise.

1.5 Prices

Prices of OAK are stated without value added tax.

1.6 Due Date

Net Price shall be due within 30 (thirty) days from the date of issuance of Invoice, unless the period of maturity is agreed otherwise. The failure to pay the Price within the due date shall be a significant breach of Contract. If the Price shall be paid in instalments, the failure of the payment of one instalment in the allocated period shall make the entire remaining Price due. For the case of Customer’s default with the payment of Invoice, OAK shall have the right to an interest on late payment in the amount of 0.05 % (zero point zero five per cent) from the due amount for each day of delay until the payment. This shall not affect OAK’s right for damages, whereas only real and proven damage, and not lost profit, shall be compensated.

1.7 Other Payment Terms

Subtraction of a discount shall require a special written agreement. OAK reserves the right to condition the Performance with the payment of the advance in the partial or full amount, at the exclusive discretion of OAK. The advance shall be paid based on an advance invoice. Upon the discretion of OAK, the payment of the advance can be substituted by e.g. bank guarantee or another appropriate securing instrument, which will be acceptable for OAK.

1.8 Set-off

Customer shall be allowed to set-off their eventual receivable against OAK toward OAK’s receivable for Customer’s payment of the Price for the Performance only if Customer’s receivable is beyond dispute and

was expressly recognized by OAK in terms of its basis and amount.

1.9 Exchange Rate Differences

The amount of Price shall retain its value. The Price is set in EUROS. OAK is entitled according to his sole discretion appropriately adjust Price in the case of change of exchange rate between USD and EUR by more than 3% (three percent).

1.10 Term of Performance

Term of Performance shall commence with the sending of the confirmation of the order, but not before the procurement of the necessary official approvals, permits or other materials, which Customer must procure, and before clarification of all technical and trade issues of Performance. Furthermore, the performance of OAK's Performance duty assumes the dutiful satisfaction of any further obligations of Customer in a timely fashion. The right to argue that the Contract has not been fulfilled shall remain reserved.

1.11 Limitation and Cancellation of Performance

OAK shall commit to make an effort to meet agreed delivery terms and deadlines. Orders can be limited or cancelled for OAK's reasons (e.g. considering the production capacities and possible delivery time). In such a case OAK commit themselves to inform Customer without any undue delay about such impossibility. Partial deliveries are acceptable.

1.12 Default of Parties

If one Party is in delay or in breach of other legal duties, the other Party will be allowed to claim damages under generally binding legal rules, including increase of expenses. Only actual and proven damage shall be paid. OAK shall not be liable for delay caused by events which they could not influence despite their reasonable care (force majeure, delay from custom control, technical and logistical difficulties by transport, etc.).

II.

SPECIAL PROVISIONS FOR SALES CONTRACTS

2.1 Purchase Price

OAK's prices shall be „of enterprise“(so called „EXW Oak Eurasia s.r.o., Plzeň, CZ /INCOTERMS 2000 “), i.e. without packing and packages; this shall be added to the Invoice separately by OAK. For parts heavier than 300 kg (three hundred kilograms) OAK is entitled to charge to the customer an additional charge for transport according to the actual amount of increased transport costs charged by the transporter. All fees related to loading, including banking charges, documentation charges, consular fees will be charged to the customer.

2.2 Collection of Goods

Unless agreed on another place and time, Customer shall be obliged to collect the goods at OAK's premises at the address Na Pomezí 1289/24a, NH 2.3.2 ADELARDIS, Gate VIII, Plzeň, PSČ 318 00, i.e. from Monday to Friday, with the exception of official state holidays, from 8 (eight) a.m. to 3 (three) p.m. after OAK's announcement designated to Customer about the possibility to collect the ordered goods.

2.3 Default of Customer

If Customer is in delay or in breach of other legal duties, the risk of accidental extinction or accidental damage to goods of the sale will pass on to Customer. If Customer is in delay to collect the goods, OAK will give them an appropriate term for the collection, but max. 10 (ten) days; after unfulfilled expiration of this term, OAK will have the right to rescind the Contract. This shall not affect OAK's right to charge a storage fee of 0.1 % (a tenth of one per cent) from the Price without a value added tax of the uncollected goods nor OAK's right for damages under generally binding legal rules. OAK shall have the right to ask Customer in connection with their default or breach of other legal duties for real and proven damage as well as lost profit.

2.4 Default of OAK

OAK shall be liable for delay with Performance only if their gross negligence while transmitting the goods to the transporter is proven. OAK shall be liable for delay as well if the delayed delivery is caused by OAK's breach of their significant/important contractual duty; in such a case the liability for damages shall be

limited to the actual and proven damage and shall not include lost profit.

2.5 Quantity, Quality and Packing

If no other quality of the Performance is arranged for, OAK shall provide Performance in a common quality according to common business customs. The quality shall satisfy the generally binding legal rules and relevant general regulations. The goods shall be packaged in standard packing provided by the producer, or in transport packing. OAK shall package the goods in a way to avoid possible damage of goods caused by common crashes and influence during the transport. In a case of transport assured by OAK, OAK shall have to further assure that the quality of transport of goods maintains the arranged for quality of goods. If demanded by Customer, OAK will arrange for transport insurance for the delivery of the goods at Customer's expenses.

2.6 Warranty

OAK shall provide a warranty for the term and in the extent similar to the producer's warranty, except for cases when the legal order of the Czech Republic provides longer or wider warranty than the producer's warranty.

2.7 Transfer of Ownership

The ownership right to the goods shall pass on Customer only with the full payment of the Price by Customer, including possible exchange rate differences under the Sec. 1.9 hereof, due interest and contractual penalties. The day of payment shall mean the day when the amount is credited to OAK's account.

III.

SPECIAL PROVISIONS FOR SERVICE CONTRACTS

3.1 Due Care

OAK shall undertake to act with due care within performance of service activities.

3.2 Delegation to a Third Person and Transfer of Damage Risk

OAK shall have the right to delegate performance of service activities to a third

person, unless agreed otherwise by Parties. Damage risk regarding equipment which is subject to service activities does not pass on OAK.

3.3 Cooperation of Customer

Customer shall be obliged to provide necessary cooperation to OAK, especially to enable OAK to enter into objects where equipment which is subject to service activities is located, to assure presence of Customer or other person authorised by them during performance of service activities by OAK, and other necessary cooperation.

3.4 Default of Customer

OAK shall have the right to ask Customer in connection with their default or breach of other legal duties for real and proven damage as well as lost profit.

IV.

FINAL PROVISIONS

4.1 Confidential Data

Parties commit themselves, that they will maintain confidentiality and, with the exception of cases provided for by the law, they will not give an access, not even through negligence, to a third person to any confidential information (know-how, trade, organisation, finance, ownership, marketing and remaining related data of contracting parties, which are appropriately protected before their accessibility by third unauthorised persons) without prior written consent of the other Party. Duties under this Section shall continue even after the termination of validity of these GBT and/or Contract, unless agreed otherwise by Parties.

4.2 Governing Law

Legal relations between OAK and Customer related to Performance shall be governed by the applicable generally binding legal rules of the Czech Republic. Issues not explicitly regulated by these GBT, or by Contract shall be governed especially by Commercial Code.

4.3 Dispute Resolution

All disputes arising especially from realisation of Contract or in connection with it, which fail to be settled by negotiation by Parties, will be decided with the exclusion of

competence of general courts of the Czech Republic with a final validity with the Arbitration Court attached to the Economic Chamber of the Czech Republic and Agricultural Chamber of the Czech Republic according to its Order on-line by one arbiter appointed by the Chairman of the Arbitration Court attached to the Economic Chamber of the Czech Republic and Agricultural Chamber of the Czech Republic. The arbitration proceeding will be held in English.

In Pilsen on 24-January-2019

Oak Eurasia s.r.o.
Jason Grant Halling, executive

4.4 Severability Clause

If one or more provisions of these GBT are or become ineffective, then the effectiveness of the remaining provisions of these GBT shall remain intact. Parties declare already at this point, that in such a case, they will substitute the provision ineffective due to trade or fact purposes by a provision legally effective as soon as possible.

4.5 Force Majeure

Under circumstance that partly or fully inhibit the fulfillment of the obligations arising out of these GBT and/or Contract, the Party, which has become subjected to such a force majeure circumstance, shall be required to promptly notify the opposite Party and they shall jointly undertake appropriate steps to come up with a remedy. Force majeure shall mean extraordinary circumstances preventing performance of the duties under these GBT and/or Contract (employee strikes or lockouts, electricity or other energy cuts, riots, insurrections, flood, fire, earthquake or similar natural or social disasters) which occurred after their execution and which could not be averted by the Parties. If any circumstances having the character of force majeure arise and prevent performance of the duties under these GBT and/or Contract for a period exceeding 30 (thirty) calendar days, the other Party shall have the right to rescind the GBT and/or Contract without being obliged to recover the damage caused.

4.6 Validity and Force of GBT

These GBT have been issued by OAK with the effect from January 1, 2013 and shall be valid for an indefinite period until their cancellation or substitution by business terms, exclusively at the discretion of OAK.