

## STANDARD PURCHASE TERMS AND CONDITIONS

Of company **Sobriety s.r.o.**

Incorporation based on the law of the Czech Republic

ID 26271061

VAT CZ 26271061

Registered office Blanenská 1288/27, 664 34 Kuřim

(hereinafter „**Sobriety**“)

### I. APPLICATION AND SUBJECT OF THE AGREEMENT

These Standard Purchase Terms and Conditions will apply to the purchase of the Products and/or providing the Services of the Seller detailed specified in Order placed by Sobriety and accepted by the Seller.

The Seller hereby undertakes to supply and sell the Products and/or provide Services to Sobriety based on Order of Sobriety and Sobriety undertakes to pay the Seller for delivered Products and/or provided Services the price agreed in accepted Order.

### II. DEFINITIONS

For the purpose of these Standard purchase Terms and Conditions:

- a. „**Agreement**“ means the agreement concluded between the Seller and Sobriety with the rights and obligations set forth in these Standard Purchase Terms and Conditions and the confirmed Order accepted by the Seller.
- b. „**Confidential Information**“ means (i) any information, technical data or know-how in whatever form, including but not limited to documented information, machine-readable or interpreted information, information contained in physical components, mask works and artwork, that is clearly identified as being confidential, proprietary or a trade secret; (ii) business-related information including but not limited to pricing, manufacturing or marketing information; (iii) the terms and conditions of any proposed or actual agreement between the parties or their affiliates; (iv) either Party's business policies or practices; and (v) the information of others identified as confidential, proprietary or a trade secret that is received by either party under the obligation of confidentiality.
- c. „**Demand**“ has the meaning set out below under these Standard Purchase Terms and Conditions.
- d. „**Offer**“ has the meaning set out below under these Standard Purchase Terms and Conditions.
- e. „**Order**“ has the meaning set out below under these Standard Purchase Terms and Conditions.
- f. „**Parties**“ means together the Seller and Sobriety as a parties of the Agreement.
- g. „**Products**“ means own products of the Seller created by their own activities in the form of the final product, with all relevant certificates and documentation, or in the form of a prototype product as a result of research and development without the documentation, and also goods of third parties.
- h. „**Seller**“ means the business company or independent entrepreneur that is selling Products and/or providing Services to Sobriety.
- i. „**Services**“ means any services provided by the Seller as described in one or more Orders or Statements of Work to Sobriety such as for support & maintenance or professional services and any other services such mutually agreed upon Order or Statement of Work. In performing the services required by the Order, the Seller shall act as an independent contractor and not as an employee or agent of Sobriety.

### III. DEMAND, OFFER, ORDER AND CONTRACT CONCLUSION

**DEMAND.** Sobriety shall present its interest in purchasing Products and/or Services by sending written (including e-mail) or oral (including telephone) demand to the Seller. This demand is not binding and Sobriety reserves the right not to continue in the purchasing process for any reason.

**OFFER.** Based on the demand of Sobriety the Seller shall prepare the Offer for Products and/or Services of the Seller. Such Offer shall include at least following information: (i) identification of the Seller and Sobriety; (ii) number of the Offer; (iii) Products or Services specification, quantities, range and price; (iv) delivery instructions and a date of delivery; and (v) time validity of the Offer; (collectively „**Basic Offer Terms**“). The Offer shall be in written form and will be sent to Sobriety via regular mail or e-mail. Seller declares that the Offer is binding until its date of expiration specified in the Offer. Provisions specified in this paragraph are also applicable when the Seller sends offer on its own initiative without previous Demand of Sobriety.

**ORDER.** Based on the Offer of the Seller Sobriety may submit the Order for Products of the Seller. Order shall be submitted within the time limit set in the Offer as the time of validity. Such Order will include at least following information: (i) identification of Sobriety; (ii) number and date of the related Offer; (iii) Products specification, quantities, range and price based on related Offer; (iv) delivery instructions and date of delivery; (v) any other important requirements; (collectively, „**Basic Order Terms**“). The Order shall be in written form and will be sent to the Seller via regular mail or e-mail. Order can be

cancelled by Sobriety for any reason until its acceptance by the Seller.

**ACCEPTANCE.** The submitted Order will be valid and binding only after the acceptance by the Seller in writing via regular mail or e-mail. If the Order is not declined by the Seller during five (5) days after its delivery to the Seller, it is considered as properly accepted. By accepting the Order Seller confirms that he is familiar with these Standard Purchase Terms and Conditions and provides the express consent with the rights and obligations set forth in these Standard Purchase Terms and Conditions.

Sobriety reserves the right by written notice of default to cancel even an accepted Order if: (i) the Seller defaults in performing obligations under these Standard Purchase Terms and Conditions, (ii) the Seller ceases business operations or enters into any bankruptcy, insolvency, receivership or like proceeding not dismissed within 30 days, or assigns Seller's assets for the benefit of creditors, or (iii) when obtaining third-party financing in connection with Seller's Product purchase(s) the Seller fails to do so in a timely manner on terms satisfactory to Sobriety.

#### IV. PRICE, TERMS OF PAYMENT AND TAXES

The Price of the Products or Services is set out in the accepted Order at the date of confirmation by the Seller and is final and binding for both parties if not agreed in a written form otherwise. The Seller's stated prices for Products and/or Services include applicable sales taxes, Value Added Tax, export or import charges, transportation or insurance charges, customs and duty fees, personal property taxes or similar charges.

The Seller guarantees that the payment terms are net 30 days from the invoice date of the Seller unless longer payment term is stated in the Order or Acceptance. The Sobriety will make payment in the currency indicated in the confirmed Order and on the invoice.

In the case of partial deliveries based on the Agreement, the Seller is not entitled to issue the invoice for partial Price of the Products unless the complete Order is delivered or Sobriety gives a written consent with the issue of the invoice.

#### V. DELIVERY

Delivery terms are established in the accepted Order. The Seller is obliged to use all reasonable efforts to meet Sobriety's requested delivery dates. If the date of delivery is fixed by Sobriety, late delivery shall be a basis for Sobriety's cancellation of any Order. The Seller has the right to make partial deliveries.

Unless the confirmed Order provides otherwise, all Products are delivered to Sobriety according to **DDP Incoterms® 2010**. Title and risk of loss or damage to Products pass to Sobriety according to chosen Incoterms clause.

Unless otherwise specified by Sobriety in writing at least fifteen (15) days prior to requested shipment date, the Seller shall determine in its discretion the means of

shipment. The Seller is responsible for arranging insurance on the Products.

Products will be packaged according to instructions in confirmed Order or, if none, according to good commercial practice in a manner sufficient to ensure receipt of the Products in an undamaged condition. The confirmed Order number(s) must appear on all correspondence, shipping labels, and shipping documents, including all packing sheets, bills of lading, and air waybills.

The Seller is responsible for compliance with all import, export and re-export control laws and regulations. The Seller will obtain import, export, and re-export approvals and licenses required for Products and/or Services delivered and will retain documentation to support compliance with those laws and regulations. The Seller will be liable to Sobriety for any failure to provide Products or Services as a result of government actions that impact the Seller's ability to perform, except for Art. XVII. of these Standard Purchase Terms and Conditions, including: (1) the failure to provide or the cancellation of export or re-export licenses; (2) any subsequent interpretation of applicable import, transfer or export law or regulation after the date of any order or commitment that has a material adverse effect on Sobriety's performance; or (3) delays due to the Seller's failure to follow applicable import, export, transfer, or re-export laws and regulations.

#### VI. ACCEPTANCE AND INSPECTION

Sobriety will inspect Products within a reasonable period after delivery not to exceed fifteen (15) calendar days. Products will be presumed accepted unless the Seller receives written notice of rejection. Sobriety shall explain the basis for rejection within ten (10) days from the day of rejection.

#### VII. TRANSFER OF OWNERSHIP TO PRODUCTS

The Seller assigns and transfers ownership of the Products when delivered to Sobriety.

Until transfer of ownership of the Products to Sobriety, the Seller shall protect the Products properly.

#### VIII. WARRANTIES

The Seller warrants that:

1. it has the right to enter into Agreement;
2. it is knowledgeable with, and is and will remain in full compliance with (at its own expense) all laws, rules and regulations that are, or may become, applicable in the provision of Products and Services;
3. no claim, lien, or action exists or is threatened against Seller that would interfere with Sobriety's rights under Agreement;
4. Products and Services do not infringe any privacy, publicity, reputation or intellectual property right of any third party;
5. Products and/or Services comply fully with all licensing agreements applicable to such third party or open source code;

6. all authors have agreed not to assert their copyright and moral rights in the Products and/or Services, to the extent permitted by law;
7. Products are free from defects in design and free from defects in material and workmanship;
8. Products are safe for use consistent with and will comply with the warranties, specifications and requirements of the Agreement;
9. Products do not contain harmful code;
10. Products do not contain (and Products are not manufactured using) ozone-depleting substances known as halons, chlorofluorocarbons, hydrochlorofluorocarbons, methyl chloroform and carbon tetrachloride as defined by the Montreal Protocol;
11. Products are new and do not contain used or reconditioned parts unless Sobriety agrees otherwise in writing;
12. it will not use, disclose, or transfer across borders any information that may identify an individual („**Personal Data**“) that is processed for or on behalf of Sobriety, except to the extent necessary to perform under the Agreement;
13. it will not offer, promise or make, directly or indirectly any payment for the purpose of improperly influencing (or inducing anyone to influence) decisions or actions of any official of state authority or public international organization;
14. (A) it will implement and maintain appropriate technical and organizational measures and other protections for Personal Data (including, without limitation, not loading any Personal Data provided to Seller on (a) any laptop computers or (b) any portable storage media that can be removed from Seller's premises unless each case (i) such data has been encrypted and (ii) such data is loaded onto portable storage media solely for the purpose of moving such data to off-site storage), (B) it will report to Sobriety any breaches of security of Personal Data immediately after discovery („**Security Incident**“), (C) it will cooperate fully with Sobriety in investigating any Security Incidents, (D) it will cooperate fully with Sobriety's requests for access to, correction of, and destruction of Personal Data in Seller's possession, and (E) it will comply with all instructions or other requirements provided or issued by Sobriety from time to time relating to Personal Data;
15. it will not disclose, export or re-export any of Sobriety's information, or any process, or product that is produced under the Agreement, without prior notification and compliance with all applicable laws, regulations and ordinances, including export control regulations.

The Seller warrants to Sobriety, that the Products are designed and manufactured to conform to Sobriety's specifications and will be free from defects in material and workmanship for a period of at least **12 months** from the date of delivery.

If, during the Warranty Period, a Product delivered to Sobriety does not conform to the warranty provided above, Sobriety will deliver a written notice of such defect to the Seller within the Warranty Period, and the Seller

will promptly correct or repair such defect. The remedy of Sobriety is not limited and Sobriety will have the option to choose either **replacing, repairing, correcting, or issuing credit** for any Product subject to the warranty in this section. In the event of serious defects of the Product, Sobriety is entitled to **withdraw** from the contract and the Seller is obliged to pay back the price promptly within a reasonable period not to exceed ten (10) calendar days after returning of the Product by Sobriety.

In the event that a defect identified by Sobriety during the Warranty Period requires an emergency or time-sensitive response, the Seller shall use commercially reasonable efforts to remedy such defect as soon as reasonably practicable.

## IX. CONTRACT TERMINATION

The Seller or Sobriety may terminate the Agreement and any or all unperformed Orders by giving written notice to the other party upon the occurrence of any of the following events: (i) the other party materially breaches this Agreement and fails to remedy the breach within thirty (30) calendar days after receipt of written notice that specifies the grounds for the material breach; (ii) the other party fails to make any payment required to be made under this Agreement when due, and fails to remedy the breach within ten (10) calendar days after receipt of written notice of non-payment; or (iii) insolvency or suspension of the other party's operations or any petition is filed or proceeding made by or against the other party under any national, European, international or other applicable law relating to bankruptcy, arrangement, reorganization, receivership or assignment for the benefit of creditors or other similar proceedings.

Termination does not affect any debt, claim or cause of action accruing to any party against the other before the termination. The rights of termination provided in this clause are not exclusive of other remedies that either party may be entitled to under the Agreement or in law or equity.

## X. INTELLECTUAL PROPERTY OWNERSHIP

The Seller grants Sobriety all rights and licenses necessary for Sobriety and its affiliates to use, transfer, pass-through, and sell the Products and/or Services and to exercise the rights granted under the Agreement.

If the Agreement is concluded as an **OEM contract**, the Seller agrees with the distribution of the Products purchased by Sobriety from the Seller to end-users or Sobriety's distributors without territory restrictions rebranded as Sobriety's products. The Seller hereby grants Sobriety a non-exclusive, sublicensable, non-transferable, worldwide license to use and sublicense the Seller's Products in executable form and offer to sell, import, and distribute, regardless of the number of layers of distribution, and sublicenses. The royalty and other fees for these rights are already included in the price of the Products if not agreed otherwise.

If the Agreement is concluded as an **Exclusive rights contract**, the Seller agrees that he will not sell the Product

or provide the know-how, intellectual property or any other result of his activity provided based on the Sobriety's Order to any other third party or use by himself for any purposes. The Seller hereby grants Sobriety all intellectual property rights and particularly exclusive, sublicensable, transferable, worldwide license to use and sublicense the Seller's Products, know-how, intellectual property or any other result of his activity in executable form and offer to sell, import, and distribute, regardless of the number of layers of distribution, and sublicenses. The royalty and other fees for these rights are already included in the price of the Products if not agreed otherwise.

Sobriety shall take reasonable precautions to prevent unauthorized access and use of documentation by third parties. To the extent permitted by relevant law, Sobriety shall not allow any third party to copy, decompile, disassemble or otherwise reverse engineer the Products, or attempt to do so. The Sobriety is prohibited from, and shall prevent any third party from, removing, covering or altering any of the Seller's patent, copyright or trademark notices placed upon, embedded in or displayed by the Products or their packaging and related materials, unless the Agreement is concluded as OEM contract.

#### XI. TRADEMARKS

Unless Sobriety provides prior written approval, the Seller will not have the right to use Sobriety's Trademarks.

The Seller grants Sobriety the right to place links on Sobriety's website pointing to Seller's website related to the Products or Services.

#### XII. CONFIDENTIAL INFORMATION

The receiving party will keep all Confidential Information disclosed to it confidential for ten (10) years following the expiration, termination or completion of the Agreement, whichever period is longer. Each party will retain ownership of its Confidential Information including all rights in patents, copyrights, trademarks and trade secrets. No right or license is granted hereby to either party or its customers, employees or agents, expressly or by implication, with respect to the Confidential Information or any patent, patent application or other proprietary rights of the other party, notwithstanding the expiration of the confidentiality obligations stated in this clause. The Seller agrees to use the Confidential Information of Sobriety only to provide Products or Services for Sobriety. Notwithstanding the foregoing, the receiving party has no duty to protect information that is: (a) known, publicly, at the time of disclosure or becomes publicly known through no fault of recipient; (b) known to recipient at the time of disclosure through no wrongful act of recipient; (c) received by recipient from a third party without restrictions similar to those in this clause; or (d) independently developed by recipient. The Seller will not publicly announce or discuss, or cause any third party to announce or discuss, the Products or the subject matter of the Agreement without having received, in advance, Sobriety's express written consent.

#### XIII. PRIVACY POLICY

Sobriety *Privacy Policy* is published at Sobriety's website and incorporated herein by this reference.

#### XIV. ASSIGNMENT

None of the Parties may assign the Agreement or any of its rights or obligations without the prior written approval of other Party. Any attempted assignment, delegation or transfer without the necessary approval will be void.

#### XV. NOTICES

All notices will be sent either by: (i) personal delivery; (ii) expedited delivery service; (iii) registered or certified mail, postage prepaid and return receipt requested; or (iv) email with a confirmed receipt. Notices will be deemed effective as of the day received, or at such time as delivery is refused by the addressee upon presentation.

#### XVI. WAIVER

Failure or delay of either party to insist on performance of any of the terms or conditions in the Agreement will not operate as a waiver of that or any other right. A waiver to be effective must be in writing and signed by the party making the waiver. Except to the extent provided otherwise, the Agreement is binding upon, inures to the benefit of, and is enforceable by the Parties and their respective successors and permitted assigns. Unless expressly stated otherwise in the Agreement, all rights and remedies are cumulative, and if either party breaches the Agreement, the non-breaching party has the right to assert all available legal and equitable remedies. Termination of the Agreement or any Order will not limit either party from pursuing any other remedies available.

#### XVII. FORCE MAJEURE

For a maximum total period of 30 days, any non-fulfilment or delay in fulfilment of any part hereof shall not be deemed a breach hereof and shall not result in any claim to damages in case it occurs during an act of force majeure and to the extent to which such non-fulfilment or delay is caused by such act of force majeure. The affected party must immediately send a notification of such an event for the other party with all details of such an act of force majeure and of concrete obligations affected thereby. The party whose performance of the Agreement is delayed or disabled by the force majeure shall promptly use reasonable efforts to mitigate the consequences of the force majeure, shall remedy such consequences as soon as possible and shall restore the performance hereof as soon as possible upon the termination of the act of force majeure.

#### XVIII. GOVERNING LAW AND DISPUTE RESOLUTION

The Agreement shall be governed and interpreted in accordance with laws of the Czech Republic regardless of a collision of legal systems.

All disputes between the Parties arising out of the provisions of the Agreement or in connection with shall be settled amicably. Should the Parties fail to reach an amicable settlement within a reasonable time but not

later than within one month after the settlement of the dispute had been initiated, either party shall be entitled to submit such dispute for a final decision to Arbitration Court attached to the Czech Chamber of Commerce and the Agricultural Chamber of the Czech Republic. All disputes shall be finally decided according to its Rules by three arbitrators in accordance with the Rules of that Arbitration Court. The official language shall be the English language.

#### **XIX. ENTIRE AGREEMENT, COLLISION OF BUSINESS CONDITIONS**

These Standard Purchase Terms and Conditions and accepted Order apply to the purchase of the Products and providing the Services of the Seller, to the exclusion of any other terms of Seller that may be imposed or incorporate, or which are implied by trade, custom, practice or course of dealing.

Parties expressly exclude the possibility of changes or amendments to the Agreement by any other trade or business conditions.

The Agreement Sobriety entered into with the Seller constitutes the entire agreement between Sobriety and the Seller for the purchase and use of Products or Services and will be applied to all Sobriety's business cases. Each accepted Order will be interpreted as a single set of terms, independent of other Orders.

No terms or conditions endorsed on, delivered with or contained in the Seller's Offer or Acceptance of the Order, specification or other documents shall form part of the Agreement simply as a result of such document.

#### **XX. MODIFICATIONS**

Sobriety may unilaterally modify, amend, supplement or otherwise change these Standard Purchase Terms and Conditions upon at least ten (10) days' prior written notice to the Seller. Any such future modification, amendment, supplement or other change shall apply only with respect to Orders accepted by the Seller after the effective date of such change. As used herein, the term "Agreement" shall include any such future change.

#### **XXI. COOPERATION**

The Parties undertake to proceed in mutual Agreement in the fulfilment hereof and to respect rights of the other Party. The Parties undertake to inform each other on all the circumstances that are or may be material to the due fulfilment hereof.

The Parties shall proceed with due diligence in the process of securing the subject hereof and observe all the rights and obligations stipulated hereby, under their best knowledge.

The Parties agrees to respect the legitimate interests of the other party, shall conduct in accordance with the purpose of the Agreement and shall not counteract such purpose and they shall perform all legal and other actions that may prove necessary to reach the purpose of the Agreement.

#### **XXII. FINAL PROVISIONS**

Each party represents and warrants that: (i) it has obtained all necessary approvals, consents and authorizations to enter into the Agreement and to perform and carry out its obligations under the Agreement; (ii) the person executing the Agreement on the party's behalf has express authority to do so and to bind the party; (iii) the execution, delivery and performance of the Agreement does not violate any provision of any bylaw; charter, regulation, or any other governing authority of the party and is duly authorized by all necessary partnership or corporate action; and (iv) the Agreement is a valid and binding obligation of the party.

To the fullest extent permitted by applicable law, Sobriety may set off any amount owed by the Seller to Sobriety against any amount owed by Sobriety to the Seller.

During the term of the Agreement and for a period of one year thereafter, neither party will actively recruit, induce, or solicit for hire or employment, whether directly or indirectly, any personnel of the other party whose duties related to the Products or Services ("Restricted Employee"). Either party may employ a Restricted Employee of the other party who has responded directly to a bona fide recruitment drive, either through an agency or advertisement in the press and not directly or indirectly as a result of any solicitation or inducement by the other party.

The Agreement may be executed in one or more counterparts, all of which will be considered one and the same Agreement. The Parties may sign the Agreement in writing, or by electronic signature, including by email.

A provision of the Agreement will survive expiration or termination of the Agreement if the context of the provision indicates that it is intended to survive, including, without limitation, any provision concerning confidentiality, limitation of liability, and indemnification.

If any provision of the Agreement is determined to be invalid or unenforceable, the validity or enforceability of the other provisions either of the Agreement as neither a whole nor other provisions will be affected unless such an invalid or unenforceable provision is severable. The Parties hereby agree to supersede such an invalid or unenforceable provision by a new valid and enforceable provision that most closely matches the intent and the purpose of the original provision.