

GENERAL TERMS AND CONDITIONS OF PEALOCK HOLDING, S.R.O. FOR ENTREPRENEURS

1. INTRODUCTORY PROVISIONS

- (a) These General Terms and Conditions for Entrepreneurs (**Terms and Conditions**) apply to the purchase contract, the subject of which is the purchase of a Pealock smart electronic lock (**Pealock Lock** or **Goods**), through the online shop located at www.pealock.com (**E-shop**), concluded between Pealock holding, s.r.o, company with registered office at Nové sady 988/2, Brno, Postal Code 602 00, identification number: 07837208, registered in the Commercial Register kept at the Regional Court in Brno, Section C, File No.: 110396 as the Seller (**Seller**) and another legal or business natural person who, when concluding and executing the Purchase Contract, acts within the scope of his/her trade or other business activity and who orders the Pealock Lock through the E-shop (**Customer**).
- (b) The Terms and Conditions do not apply where the person intending to purchase Goods from the Seller is a natural or legal person who is not acting in the course of his trade or other business in entering into and performing the Purchase Contract.
- (c) The sale and purchase of the Pealock Lock shall be governed by (i) the Contract between the Seller and the Customer (**the Contract**), and (ii) these Terms and Conditions. In the event of any conflict, the Contract shall prevail over these Terms and Conditions. The Customer's Terms and Conditions shall not apply to the Contract unless the parties to the Contract agree otherwise in writing.
- (d) The Seller currently offers the purchase of the Pealock Lock in two functional variants:
 - (i) Pealock 1.0: Pealock Lock without GPS location and internet connectivity (**Pealock Lock without GPS**);
 - (ii) Pealock 2.0: Pealock Lock with GPS functionality, which allows you to pinpoint the location of Pealock Lock, connect Pealock Lock to the Internet and use additional services (**Pealock Lock with GPS**).
- (e) For the avoidance of doubt, wherever "Pealock Lock" is referred to in the Terms and Conditions, it is understood to mean both Pealock Lock without GPS and Pealock Lock with GPS or any other future variant of Pealock Lock, and is therefore a regulation of the rights and obligations applicable to all variants of Pealock Lock offered.
- (f) The Seller reserves the right to restrict or discontinue the production and sale of any of the currently offered variants of the Pealock Lock and to unilaterally amend these Terms and Conditions in this connection in the future. However, changes will not affect orders already placed.

2. PURCHASE OF THE PEALOCK LOCK

- (a) The Customer, who purchases the Goods in the course of its business activities under the Agreement and these Terms and Conditions, undertakes to inform the end users to whom it delivers the purchased Goods (**User**) of their rights and obligations, in particular that the Goods can only be fully used after the installation of the Pealock mobile application and the pairing of the Pealock Lock with this mobile application (**Information Obligation**).
- (b) Should the Seller become obliged to pay any amount to any third party in respect of a breach of the Customer's Information Obligation under the Contract or these Terms and Conditions, the Customer undertakes to discharge the above obligation (Debt) to the third party on behalf of the Seller, without any recourse to the Seller.
- (c) Any presentation of the Goods placed in the E-shop is of an informative nature and the Seller by such presentation does not make the Customer an offer to enter into the Contract and is not obliged to enter into the Contract with the Customer. The provisions of Section 1732(2) of Act No. 89/2012 Coll., Civil Code, as amended (**Civil Code**) shall not apply.
- (d) The E-shop contains information about the Goods, including the prices of individual Goods. The prices of the Goods are inclusive of value added tax and all related charges. The prices of the Goods remain valid for as long as they are displayed in the E-shop. This provision does not limit the Seller's ability to enter into a Contract with the Customer on individually agreed terms.
- (e) The E-shop also contains information about the costs associated with the packaging and delivery of the Goods.
- (f) In order to place an order of Goods, the Customer shall fill in an order form in the E-shop (**Order**), which contains in particular information concerning:
 - (i) the identity of the Customer, its delivery and billing address;
 - (ii) the type of Goods ordered and their price;
 - (iii) the desired method of delivery of the Goods ordered;
 - (iv) costs associated with the packaging and delivery of the Goods;
 - (v) a statement that it is the first Order placed by the Customer (**the "First Order"**).
- (g) The ordering of Goods shall take place by placing the selected Goods in the electronic shopping cart E-Shop and submitting the Order to the Seller by clicking on the Submit button.
- (h) When ordering Goods, the Customer is obliged to provide correctly and truthfully all required information, which the Seller then considers to be up-to-date and correct. For the purpose of control, the Customer may add to or change the information provided in the Order.
- (i) The Seller shall confirm the Order by sending an automated confirmation email to the Customer's email address specified in the Order (**the Customer's Email**), thereby accepting the Order and concluding the Contract.

- (j) The Seller is entitled, depending on the nature of the Order (quantity of Goods, amount of the Purchase Price, estimated shipping costs), to ask the Customer for additional confirmation of the Order (for example, in writing or by telephone). In such case, the Contract shall be concluded only upon delivery of such confirmation to the Seller.

3. PURCHASE PRICE AND PAYMENT TERMS

- (a) If the Contract separately agrees costs associated with the packaging and delivery of the Goods over and above the Purchase Price, these costs must be paid together with the Purchase Price. Unless expressly stated otherwise, the Purchase Price means the price of the Goods inclusive of VAT and the costs associated with the delivery of the Goods (**the Purchase Price**).
- (b) The Customer acquires ownership of the Goods at the time when the Contract is concluded and the Purchase Price is paid at the same time, which payment shall be made by crediting the total amount corresponding to the Purchase Price to the Seller's bank account.
- (c) The Seller shall issue an invoice to the Customer in confirmation of the Order. The invoice shall contain the elements of a tax document and shall be sent to the Customer's e-mail address.
- (d) The Purchase Price shall be paid by the Customer to the Seller on the basis of the invoice, whereby:
 - (i) on the First Order, the Purchase Price shall be paid in full by the Customer on the basis of the invoice issued. The Goods shall not be dispatched until the Purchase Price has been paid;
 - (ii) for subsequent Orders by the same Customer, an invoice is issued with a due date of 14 days and the Goods are dispatched on the date of the invoice.
- (e) In the event of delay by the Customer in payment of the Purchase Price, the Seller shall be entitled to interest on the overdue amount at the statutory rate for each and every day of delay. Default interest shall be payable on the first day of the Customer's default in payment of the Purchase Price.
- (f) Depending on the quantity of Goods ordered under one Order, the Customer may be placed in one of the bonus categories:
 - (i) Bronze category,
 - (ii) Silver category,
 - (iii) Gold category,
 - (iv) Platinum category.
- (g) Discounts from the retail price may be provided for each category and the current price list as well as information on the conditions for inclusion in one of the categories are available on the E-shop in the section for business partners <https://pealock.com/cs/b2b/>.

- (h) In addition to any discounts on the retail price, services may be provided free of charge to a Customer classified in the relevant category under paragraph (f) above for the purpose of sales promotion, such as the provision of promotional materials, the loan of a tablet stand, etc. The Seller shall provide the Customer with an up-to-date list of free services for each category via the E-shop in the section for business partners, where this information is already available before the conclusion of the Contract.

4. **TRANSPORT AND DELIVERY OF GOODS**

- (a) If the Seller is obliged under the Contract to deliver the Goods to the place specified by the Customer in the Order, the Customer shall take possession of the Goods on delivery. On acceptance of the Goods, the risk of damage to the Goods shall pass to the Customer.
- (b) If the method of transport is agreed on the basis of the Customer's individual request, the Customer shall bear the risk and any additional costs associated with this method of transport.
- (c) In the event that for reasons on the Customer's side it is necessary to deliver the Goods repeatedly or by a different method than that specified in the Order, the Customer shall pay the costs associated with the repeated delivery of the Goods or the costs associated with the different method of delivery.
- (d) On receipt of the Goods from the carrier, the Customer shall check the integrity of the packaging of the Goods and in the event of any defects notify the carrier immediately. In the event that the packaging is found to have been tampered with, the Customer may not accept the shipment from the carrier. The Seller shall not be liable for any damages incurred during transportation.
- (e) Other rights and obligations of the parties in the carriage of the Goods may be governed by the Seller's special terms and conditions of delivery, if issued by the Seller.

5. **PEALOCK LOCK WITH GPS**

For the purposes of fulfilling the Customer's Information Obligation under Section 2(a) of these Terms and Conditions, the Seller sets forth below the basic operating characteristics of the Pealock Lock with GPS. Further information regarding the operation of the Pealock Lock (regardless of which variant of the Pealock Lock it is) is set forth in the Manual (as defined in Section 6(b) of these Terms and Conditions).

5.1 **Operation of Pealock Lock with GPS**

- (a) The Pealock Lock with GPS is a smart electronic lock designed to protect sports and other equipment, which, in the event of theft, triggers an alarm and calls a pre-specified phone number (**Alarm Function**), and which also allows the location of the item on which the Pealock Lock with GPS is attached to be recorded and displayed in the Pealock Application (as defined in Article 5. 2(a)) even when the mobile device is out of Bluetooth range (**the GPS Tracking and Communication Function of the Pealock Lock or just GPS Function**).



- (b) The Pealock Lock with GPS contains the Seller's embedded software that enables the use of the GPS Feature (**Software**) and a SIM card that enables the Pealock Lock to communicate with the Pealock App.
- (c) The SIM Card must be activated before the Pealock with GPS can be put into operation. For the avoidance of doubt, the Seller states that the Pealock Lock is only compatible with the SIM card included in each new Pealock Lock package.
- (d) Activation of the SIM card will occur automatically the first time data is transferred from the Pealock Lock with GPS to the Pealock App, with data transfer enabled via the data services on the SIM card (**Data Services**).
- (e) Data Services are necessary for the proper functioning of the GPS tracking and communication function of the Pealock Lock, and the purchase of a new Pealock Lock with GPS includes a SIM card with Data Services already prepaid for a period of 6 months from the activation of the SIM card. Data Services for the use of the GPS Function after this 6 month period will be provided to the User upon purchase of Additional Services (as defined in Article 5.4(a) of these Terms and Conditions) via the Pealock Application.
- (f) For the avoidance of doubt, the Seller expressly states that it is not the direct provider of the Data Services and merely facilitates their use in the provision of the Pealock Lock functionality. The provision of the Data Services is governed by the contractual terms and conditions of the electronic communications service provider within the meaning of Act No. 127/2005 Coll., the Act on the Provision of Electronic Communications Services, as amended. The terms and conditions of the Data Service Provider are available at https://www.vodafone.cz/_sys_/FileStorage/download/2/1419/vseobecne_podminky_eng.pdf.
- (g) In order to use the Alarm Function, you must have a credit of at least CZK 200 on your SIM Card. The SIM card included in the original package has a prepaid credit of CZK 200, which can be further increased in the Pealock Application as part of the purchase of Additional Services.

5.2 Installation of the Pealock Lock with GPS

- (a) In order to use the Pealock Lock with GPS, the User must have the Pealock mobile app (**Pealock App**) installed on his/her mobile device (**Device**) and the Pealock Lock with GPS paired with it registered within his/her personal profile. A list of supported devices for the Pealock App is available in the official stores (e.g. App Store, Google play).
- (b) A personal profile is created by the User when the Pealock App is first launched by entering the access data through which the User will log in to the Pealock App. The registration of the personal profile is completed by confirmation from the Seller.
- (c) The pairing of the Pealock Lock with the GPS and the Pealock Application is based on Bluetooth technology, in the manner described in more detail directly in the Pealock Application.
- (d) For the smooth functioning of the GPS tracking function and communication with the Pealock Lock, it is essential to always have the current version of the Pealock App downloaded.

5.3 Use of the GPS Tracking and Communication with Pealock

- (a) The GPS tracking and communication function with the Pealock Lock allows the current location of the Pealock Lock to be determined and visualised in the Customer's personal profile in the Pealock App, and also ensures communication between the Pealock Lock and the Pealock App outside the Bluetooth range.
- (b) The Pealock Lock with GPS only allows determining its location instantaneously in the event of:
 - (i) its activation, i.e. when the Pealock with GPS is turned on; or
 - (ii) the triggering of an alarm, regardless of what causes the alarm to be triggered.
- (c) During the activation of the GPS Function, data regarding the current location of the Pealock Lock is shared with the registered personal profile in the Pealock Application, whereby when the Pealock Lock with GPS is activated, it is a one-time data transfer and when the alarm is triggered, data regarding the location of the Pealock Lock is transferred repeatedly every 3 seconds.
- (d) The Customer acknowledges and informs the User that the accuracy of the location data detected by the Pealock Lock with GPS and its transmission to the Pealock Application may be affected by the movement of the object on which the Pealock Lock is placed, the quality of the internet connection and other influences (for example, the effect of weather fluctuations or other natural influences) and therefore the data may be distorted from reality. The Customer further acknowledges that there is a slight delay between the transmission of a GPS signal and the display of the location on the Pealock App. The Seller therefore does not guarantee the quality of the GPS signal and its coverage at the location where the Pealock with GPS will be used or the error-free operation of the Pealock GPS Function due to poor quality mobile data transmission.

5.4 Arranging Additional Services

- (a) Additional services supported by the Pealock with GPS (**Additional Services**) can be ordered from the Seller in the Pealock App.
- (b) As part of the Additional Services, the User may, in addition to using the Alarm Function after the SIM card credit has been exhausted and extending the validity of the GPS Tracking and Communication Function with Pealock Lock for a period beyond the first 6 months, arrange, for example, online property insurance or travel insurance free of charge. The current list of Additional Services supported by Pealock with GPS and their prices are listed in the E-shop and in the Pealock App.
- (c) The terms and conditions of the Additional Services are regulated by a separate contract, which is concluded when ordering the Additional Service.
- (d) For the avoidance of doubt, unless otherwise expressly agreed, the Seller only allows the User to arrange the Additional Services via the Pealock App, but the actual provision of the Additional Services is handled directly by the Supplier, who is thus responsible for the manner and quality of such services.

5.5 Use of data

- (a) The Customer shall be responsible for informing the end User of the Pealock Lock that the location data of the Item, as detected by the Pealock Lock with GPS, shall be used by the Seller for the duration of the User's use of the Pealock Lock and that the Seller shall be further entitled to any anonymized data, including anonymized data regarding the location of the Pealock Lock, to use it for its internal and business purposes, to share it with third parties and to process it at its discretion, including the possibility to incorporate such data into a database, even at any time after the termination of the use of the Pealock Lock. The Customer undertakes to comply with the information obligation by referring to the Seller's information document regarding the processing of Users' personal data by the Seller, which can be found at <https://pealock.com/cs/gdpr/>.
- (b) The Seller shall in any case be deemed to be the founder of the database referred to in paragraph (a) above and shall be entitled to all property rights in such database in accordance with Act No. 121/2000 Coll., on Copyright, on Rights Related to Copyright and on Amendments to Certain Acts (Copyright Act), as amended (**Copyright Act**).

5.6 Software

- (a) The Seller shall be the exclusive and unrestricted executor of all proprietary and, to the fullest extent permitted by law, personality rights in the Software as a work of authorship within the meaning of the Copyright Act.
- (b) All of the Seller's rights (both proprietary and personal) in the Software shall remain vested in the Seller. The Seller does not grant any rights or access to the Software to Customer or User under the Agreement except to provide access necessary for the purposes of operating Pealock Lock. For this purpose, the Seller grants the Customer, or any User of the Pealock Lock, a non-exclusive, worldwide license to the Software for the duration of any User's ownership of the Pealock Lock. For the avoidance of doubt, upon transfer of ownership of the Pealock Lock, the license to the Software under this paragraph shall extend to the same extent to the new owner or User of the Pealock Lock. The price for the license granted under this paragraph is included in the Purchase Price.
- (c) The Customer and the User shall refrain from any use of the Pealock Lock and the Software other than in accordance with the Agreement, these Terms and Conditions or the Seller's instructions, or for any purpose other than the operation and use of the features of the Pealock Lock, including but not limited to examining, reconstructing or testing them to obtain the Seller's know-how or trade secrets contained therein, or analyzing the source code of the Software for purposes other than those permitted under Section 66 of the Copyright Act. Allowing any third party to perform such acts, even unintentionally, shall be deemed a breach of this obligation by the Customer or User.
- (d) The Customer shall make the User aware of the details of the Seller's copyright in the Software and the User's rights and obligations in using the Pealock Lock as set out in these Terms and Conditions as part of the performance of the Information Obligation.

6. RIGHTS OF DEFECTIVE PERFORMANCE

- (a) The Seller shall be liable to the Customer that the Goods are free from defects on receipt, in particular that at the time the Customer accepted the Goods:
- (i) Pealock Lock has the characteristics described by the Seller in the E-shop; and
 - (ii) the Pealock Lock is fit for the advertised purpose,
- unless the Pealock Lock is sold at a lower price because of a defect for which the lower price was agreed.
- (b) In using the Pealock Lock or presenting it to End Users, the Customer shall follow the instructions and recommendations of the Seller set forth in the manual for the use of the Pealock Lock (**Manual**). The Manual will be provided to the Customer with the Goods delivered and is also available in electronic form on the E-Shop at <https://pealock.com/cs/video-navody-a-manualy/>.
- (c) If the Customer damages the Goods by unprofessional maintenance, mechanical damage or careless handling in contravention of the Manual or the Seller's instructions, e.g.:
- (i) improper handling, unprofessional or inadequate maintenance;
 - (ii) external mechanical or chemical influences and damage;
 - (iii) failure to follow the instructions in the Manual
- the Seller shall be entitled to reject the claim.
- (d) The Customer shall notify the Seller of any defect in the Goods (Make a Claim) without undue delay after it could have been discovered by timely inspection and reasonable care, but not later than 24 months after receipt of the Goods.
- (e) The Customer shall enforce its rights under the defective performance against the Seller at the Seller's own expense at the Seller's registered office and such costs shall not be reimbursed to the Customer. The time of claim shall be deemed to be the time when the Seller receives the Pealock Lock claimed. The claim, including the removal of the defect, shall be settled without undue delay.
- (f) The Customer's obligation to pay the Purchase Price shall be without prejudice to its right to claim defective Goods. The Seller and the Customer agree to exclude the provisions of Section 2108 of the Civil Code.
- (g) Other rights and obligations of the parties relating to the Seller's liability for defects may be governed by the Seller's Complaints Policy.
- (h) For the avoidance of doubt, it is hereby stated that the Customer shall be individually liable for defects in the Goods to persons to whom it resells the Goods in the course of its business.

7. PROTECTION OF PERSONAL DATA

The Customer acknowledges that the Seller processes personal data for the purpose of selling the Goods in accordance with the legal provisions relating to the processing and protection of personal data, in particular, but not exclusively, Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation) (GDPR), Act No. 110/2019 Coll, on the processing of personal data, as amended, and any judicial or administrative interpretation of legislation relating to the processing and protection of personal data, any guidelines, codes of conduct or approved certification mechanisms issued by the Data Protection Authority. Details regarding the processing of the Customer's personal data by the Seller are set out at <https://pealock.com/cs/gdpr/>.

8. TERMINATION OF THE CONTRACT

- (a) Except as otherwise expressly provided in these Terms and Conditions or in the Contract, neither the Customer nor the Seller shall be entitled to unilaterally terminate the Contract (for example, by rescission or termination) unless such prohibition is contrary to mandatory provisions of law.
- (b) Pending acceptance of the Goods by the Customer, the Seller shall be entitled to withdraw from the Contract at any time without giving any reason.
- (c) The Seller shall further have the option to withdraw from the Contract if the Customer fails to pay the Purchase Price in full and in a timely manner or if the Goods ordered by the Customer are unable to be delivered because:
 - (i) the Goods are out of stock and cannot be manufactured; or
 - (ii) the Seller is unable to perform the Contract for a reason beyond its control, due to a natural disaster or force majeure.
- (d) Withdrawal from the Contract by the Seller shall always be made in writing to the Customer's e-mail address.
- (e) If the Seller withdraws from the Contract when the Purchase Price has already been paid by the Customer, the Purchase Price shall be refunded to the Customer without undue delay.
- (f) If a free gift or service is provided to the Customer together with the Goods in accordance with Article 3(h) of these Terms and Conditions, the Contract between the Seller and the Customer shall be concluded with the condition that if the Contract is withdrawn by the Customer, the Contract in respect of such gift or service shall cease to have effect and the Customer shall return the gift or service to the Seller together with the Goods or refrain from further use of the service.
- (g) Any termination of the Contract (including rescission) shall not affect the Seller's rights in the Software, and the database of which it is the Customer under the Contract, which shall survive termination of this Contract.

9. FINAL PROVISIONS

9.1 Changes to the Terms and Conditions

The current version of the Terms and Conditions is available on the E-shop. The Seller may unilaterally change or amend the Terms and Conditions, and the Seller shall inform the Customer in advance of any changes by publishing the changes on the E-shop with the effective date of the marked changes. Upon the entry into force of the new version of the Terms and Conditions, the original version of the Terms and Conditions shall cease to be valid. This provision does not affect the rights and obligations arising during the period of effectiveness of the previous version of the Terms and Conditions.

9.2 Governing Law and Jurisdiction

- (a) The Contract, including these Terms and Conditions, and all rights of the Customer and the Seller arising out of, in connection with or in connection with the Contract or its termination or use of the Pealock Lock shall be governed by the laws of the Czech Republic.
- (b) All disputes relating to or arising out of the Contract or the use of the Pealock Lock shall be settled by the ordinary courts of the Czech Republic.

9.3 Final Provisions

- (a) The Customer and the Seller assume the risk of change of circumstances and further exclude the application of the provisions of Sections 557, 1765 and 1766 of the Civil Code for the purposes of the Contract and these Terms and Conditions.
- (b) If any provision of the Terms and Conditions is or becomes invalid or ineffective, the invalid provision shall be replaced by a provision whose meaning is as close as possible to the invalid provision. The invalidity or ineffectiveness of one provision shall not affect the validity of the other provisions.
- (c) The Seller's billing information is:
 - (i) Company name: Pealock holding, s.r.o.
 - (ii) Address: Nové sady 988/2, Brno, 602 00, Czech Republic
 - (iii) E-mail address: info@pealock.com
 - (iv) ID number: 07837208, VAT number: CZ07837208
- (d) The Seller's correspondence address is:
 - (i) Company name: Pealock holding, s.r.o.
 - (ii) Address: Mostecká 130, Vsetín, 755 01, Czech Republic
 - (iii) E-mail address: info@pealock.com



- (e) The address for returning or claiming Goods is:
- (i) Company name: Skladon
 - (ii) republica Address: Průmyslová 377, Mošnov, 742 51, Czech Republic
 - (iii) E-mail address: info@pealock.com