

## COMMERCIAL TERMS AND CONDITIONS

of the company Artslimit, s.r.o., ID: 09048006

### 1. Introductory Provisions

- 1.1. These commercial terms and conditions of the company Artslimit, s.r.o., ID: 09048006, regulate (1) conditions of use of the Website located at the domain address with the domain name www.artslimit.com, (2) conditions of participation in the Auctions performed through the Website, and (3) conditions of the Purchase Agreement entered into by the Website User within the framework of the Auction according to clause (2).
- 1.2. These Commercial Terms and Conditions constitute an integral part of the Website Use Agreement concluded between Artslimit and the User and regulate mutual rights and duties of the parties arising from this agreement, and an integral part of the Purchase Agreement concluded as a follow-up to the Auction between a specific User on the one part and Artslimit or a third party on the other part, and they regulate mutual rights and duties of the parties arising from such agreement. Unless the Website Use Agreement, the Purchase Agreement, the Auction Catalogue or the Auction Announcement provide explicitly otherwise, then the relations established thereunder shall be regulated by these Commercial Terms and Conditions.
- 1.3. Documents hereinafter referred to as "annex" shall constitute an integral part of these Commercial Terms and Conditions. Any references to any Article No. shall refer to the concerned Article contained in these Commercial Terms and Conditions. If any reference is made to Articles of annexes or of other documents, then such fact is expressly stated in each specific case.
- 1.4. The Commercial Terms and Conditions can be printed out or stored by the user by means of relevant functions of the Internet browser. Concluded agreements are archived by Artslimit in an electronic form.

### 2. Definitions of Basic Terms

- 2.1. In these Commercial Terms and Conditions,:
  - 2.1.1. "**Artslimit**" shall mean the company Artslimit, s.r.o., ID: 09048006, registered office: Patočkova 711/5, Střešovice, 169 00 Prague 6, which operates the Website, through which it especially organizes Auctions in its own name, mediates organization of Auctions for a third party (for the Organizer) or mediates online bids made by Users through the Online Bids Service for auctions organized by a third party;
  - 2.1.2. "**Auction**" shall mean any auction organized or mediated through the Website;
  - 2.1.3. "**Auction Catalogue**" shall mean the catalogue of Auction Items offered for sale at the specific Auction where the individual Auction Items are presented, it also provides special rules that may exist for the bids made at such Auction and contains, as its annex, the Auction Announcement;
  - 2.1.4. "**Auction Announcement**" shall mean the auction announcement, which is a part of the Auction Catalogue and provides specific rules applied to the concerned Auction;
  - 2.1.5. "**Limitation Stage**" shall mean the Auction stage according to Article 8.5. hereof;
  - 2.1.6. "**Live-Bidding Stage**" shall mean the Auction stage according to Art. 8.6. hereof;
  - 2.1.7. "**Purchased Item**" shall mean the Auction Item the ownership right to which has devolved upon the Purchaser as a result of the Auction;
  - 2.1.8. "**Purchase Price**" shall mean the Winning Bid plus the auction fee (commission) and other fees that may be applied according to the current Tariff, which constitutes an annex to the Commercial Terms and Conditions, and according to a special tariff that may exist for the specific Auction according to the Auction Announcement;
  - 2.1.9. "**Purchase Agreement**" shall mean the agreement on purchase of the Auction Item between the specific User on the one part and the Seller on the other part;
  - 2.1.10. "**Purchaser**" shall mean the Winning Bidder, with whom the Purchase Agreement has been concluded and come into effect;

- 2.1.11. **“Reserve Price”** shall mean the lowest possible Winning Bid;
- 2.1.12. **“Civil Code”** shall mean Act No. 89/2012 Coll.;
- 2.1.13. **“Commercial Terms and Conditions”** shall mean these commercial terms and conditions of Artslimit as amended;
- 2.1.14. **“Last Bid Amount”** shall mean the amount of the currently highest bid of any User made for the purpose of the purchase of the Auction Item;
- 2.1.15. **“Organizer”** shall mean the third party organizing the Third-Party’s Auction and using the Website mediating this auction for Users, including bids made through the remote access using the Online Bids Service;
- 2.1.16. **“Seller”** shall mean the person selling the Auction Item at the Auction;
- 2.1.17. **“Auction Item”** shall mean the item offered to users for purchase at the Auction;
- 2.1.18. **“Bid”** shall mean an offer for conclusion of the Purchase Agreement by the User to purchase the Auction Item at the specific amount;
- 2.1.19. **“Tariff”** shall mean the valid tariff of fees, which constitutes an annex hereto; the Auction Announcement may set also a specific tariff for a specific Auction, which shall prevail over the Tariff in applicability to the concerned Auction;
- 2.1.20. **“Website Use Agreement”** shall mean the agreement on use of the website between a specific User on the one part and Artslimit on the other part;
- 2.1.21. **“Online Bids Service”** shall mean mediation of online bids for the live auction organized by a third party – the Organizer, where Artslimit just technically provides for the Organizer and the User the possibility of online bidding for conclusion of the Purchase Agreement (Bid);
- 2.1.22. **“User”** shall mean the registered user having concluded the Website User Agreement with Artslimit;
- 2.1.23. **“User Account”** shall mean the administrative interface intended for registered Users and authorising them to use Artslimit’s services operated through the Website under the unique user name;
- 2.1.24. **“Winning Bidder”** shall mean the User who is the originator of the highest valid Bid as at the time the hammer falls (i.e. the originator of the Winning Bid);
- 2.1.25. **“Winning Bid”** shall mean the amount, offered for purchase of the Auction Item by bidding, which is the highest as at the time the hammer falls;
- 2.1.26. **“Starting Price”** shall mean the lowest amount that may be offered by Users willing to buy the Auction Item;
- 2.1.27. **“Website”** shall mean the web portal operated by Artslimit located at the domain address with the domain name [www.artslimit.com](http://www.artslimit.com).

### 3. Registration

- 3.1. For the purpose of using the Website and participation in Auctions it is necessary for the User to get registered. Registration of the User is free of charge. The registration is multilevel and the User may choose whether to perform just the basic, the supplemented or the full registration and, subsequently, to add its registration with the data needed according to his or her own choice. The basic registration constitutes the User’s conclusion of the Website Use Agreement with Artslimit, including, as an integral part thereof, also these Commercial Terms and Conditions.
- 3.2. Only the persons meeting some of the following criteria may become registered Users and Auctions participants, under the conditions stipulated below:
  - 3.2.1. natural persons older than 18 years of age on condition that they have full legal capacity to act on their behalf;
  - 3.2.2. legal persons entered in a public registry or established by operation of law;
  - 3.2.3. State.

- 3.3. The persons according to Art. 3.2.2. and 3.2.3. shall always have appointed a duly authorized person for representation, who meets the criteria according to Art. 3.2.1. Participation in all Auctions, except the ones expressly reserved by Artslimit just for a selected circle of Users, and submission of Bids are conditioned by User's prior registration supplemented at least within the meaning of Art. 3.5. below; however, the Purchase Agreement with the Winning Bidder may come into effect only with the User having got the full registration (i.e. with the complete User Account).
- 3.4. The basic registration authorizes the User to browse through the Website, Auctions and Auction Items, but it does not make it possible for the User to participate in Auctions actively and to make Bids. The basic registration of the User requires creation of the basic User Account, which contains at least the name and surname if for a natural person, the business name and identification No. if for a legal person, contact data (phone No., e-mail address and, if for a legal person, also the contact person, who shall be the person authorized to act on behalf of the legal person) and the chosen password.
- 3.5. The supplemented registration of the User shall mean the basic registration supplemented with uploading of at least the User's own identification document within the meaning of Art. 3.7.3.1., accepted by Artslimit as plausible and corresponding to the User, and with the statement that the concerned User is not a politically exposed person or a person settled in a country which is, based on a designation by the European Commission or for another reason, considered as high-risk within the meaning of Act No. 253/2008 Coll., on Selected Measures Against Legitimation of Proceeds From Crime And Financing Of Terrorism (hereinafter referred to as "AML Act"). The supplemented registration makes it possible for the User to participate in all Auctions, except the ones expressly reserved by Artslimit, at the sole discretion of Artslimit, just for a selected circle of Users, and to make Bids there. If such User subsequently becomes the Winning Bidder, he or she is obliged to supplement his or her registration up to the level of the full registration, so that the Purchase Agreement could come into effect.
- 3.6. Full registration of the User and creation of the complete User Account make it possible for the User to participate in all Auctions, except the ones expressly reserved by Artslimit, at the sole discretion of Artslimit, just for a selected circle of Users, and to make Bids there. A part of the full registration and creation of the complete User Account is the full identification of the User in compliance with the AML Act, and also the User's statement that he or she is not a politically exposed person or a person settled in a country which is, based on a designation by the European Commission or for another reason, considered as high-risk within the meaning of the AML Act. The statement according to the previous sentence can be replaced with a regular due diligence applying the procedure according to Art. 10, but only if agreed so and at the sole discretion of Artslimit, there is no legal right thereto and Artslimit is always authorized to deny such persons their full registration and participation in Auctions (including submission of bids there).
- 3.7. Identification of the User can be performed with one of the following methods (the method shall be chosen by the User when creating the complete User Account):
  - 3.7.1. **Identification in physical presence.** The identification can be performed in physical presence of the User and, if the User is a legal person, in physical presence of its representative authorised to act on behalf of such legal person in relations with Artslimit. The identification can be performed upon prior appointment at the address Národní třída 1011/7, Prague. For the identification to be successful, it is necessary to present:
    - 3.7.1.1. **If for physical persons who are not entrepreneurs:** their valid identity card or, if they are foreigners, a similar identification document where the place of residence is mentioned.
    - 3.7.1.2. **If for natural persons acting as entrepreneurs when using the Website:** their valid identity card or, if they are foreigners, a similar identification document where the place of residence is mentioned, and a document where the identification No. and the place of business are mentioned.
    - 3.7.1.3. **If for legal persons:** extract from the public registry or another document proving the existence of the legal person; basic identification data about members of the statutory body, unless they are evident from the extract from

the commercial registry; if their statutory body, shareholder or controlling party is another legal person, then the document containing their identification data; and the valid identity card of the natural person being the statutory body (or a member thereof), who represents the legal person by this reason in acting with Artslimit. If the legal person is represented by a natural person other than its statutory body in acting with Artslimit, it is also necessary to present a document confirming the authorization to such acts (letter of attorney).

- 3.7.2. **Mediated identification through the notary or the public administration contact point “Czech POINT“.** The identification can also be performed by a notary or public administration contact point “Czech POINT“, upon generation of the request for performance of the mediated identification in the User Account; the request shall contain all data that need to be entered in a public document about identification of the User. The public document about the identification shall especially contain the statement that the identification is performed upon request of the company Artslimit, ID: 09048006, registered office Patočkova 711/5, Střešovice, 169 00 Prague 6, for the purpose of conclusion of the Website Use Agreement, creation of the User Account and participation in Auctions, which are organized or mediated through the Website. The public document about the identification shall be either (a) sent by the User in the original copy to the address of the registered office of Artslimit, or (b) got converted by the User, i.e. converted from a hard-copy form into a soft-copy document contained in a data message or a data file in a way ensuring that the content of such documents is the same, and appending a clause of performance of the conversion in compliance with Act No. 300/2008 Coll., on Electronic Transactions and Authorised Conversion of Documents, including all its annexes; the converted document shall be then uploaded by the User to his or her User Account through the relevant form. If the natural person being identified in this way acts as a representative of a legal person, he or she shall upload to his or her User Account also a proper document proving the authorization to represent such person (extract from the public registry in case of statutory representatives or a proper letter of attorney).
- 3.7.3. **Identification performed by taking the identification from a credit institution, so-called “remote” identification.** The identification can also be performed by taking the identification from a credit institution operating on the territory of the European Economic Area within the meaning of Section 11(7) of the AML Act. For the purposes of the full registration and creation of the complete User Account, the User is obliged to make and, through the form available in his or her User Account, to send to Artslimit high-quality and readable copies of:
- 3.7.3.1. the identification document (i.e. the identity card or another similar identification document of another country), including a photographic portrait of the User, or the travel passport;
  - 3.7.3.2. one additional supportive document containing a photographic portrait of the User; for this purpose, the following documents are acceptable: (i) travel passport, if the presented document according to Art. 3.7.3.1. is the identification document, (ii) the identification document if the presented document according to Art. 3.7.3.1. is the travel passport, (iii) the driver’s license, or (iv) the public library card applicable on the territory of the Czech Republic;
- and
- 3.7.3.3. the document proving the existence of the account held by the User in a credit institution (i.e. a bank or a savings or credit cooperative) or in a foreign credit institution operating on the territory of a country of the European Economic Area (can be obtained from the credit institution concerned), or an extract from the transaction history of such account, not older than 3 months, from which it is clearly evident that this is an account held in the name of the User; in both cases, this can also be a joint account held by spouses in their names (e.g. within the community property of spouses) in a credit institution according to the aforementioned.

- 3.7.3.4. If the natural person being identified acts as a representative of a legal person, he or she shall upload to his or her User Account also a proper document proving the authorization to represent such person (an extract from the public registry in case of statutory representatives or a proper letter of attorney).
- 3.7.4. If the User chooses the identification method according to Art. 3.7.3, he or she shall make the first payment, to which he or she is obliged under the first Purchase Agreement and these Commercial Terms and Conditions, from the account according to Art. 3.7.3.3. If the User does not make the first payment in accordance with this paragraph, then Artslimit has the right to cancel the registration of the User completely, or to reduce the registration of the User down to the basic registration or, according to the level of the provided data, to the supplemented registration.
- 3.8. Artslimit shall confirm to the User the successful performance of the full registration and creation of the complete User Account per e-mail to the e-mail address of the User. Before the full registration and opening of the complete User Account are finished, the User being a legal person may be called upon by Artslimit to document its ownership and control structure and its beneficial owner.
- 3.9. There is no legal right to the registration. Artslimit may deny the registration or to withdraw from the Website Use Agreement and to close the account if the User breaches Website use conditions, these Commercial Terms and Conditions, good morals or the public order, if there are reasonable doubts about authenticity or completeness of the data stated about himself or herself by the concerned person, documents presented by him or her to Artslimit, statement made by him or her, or even without giving the reason.
- 3.10. The User is, with respect to all data and documents about himself or herself (or about the natural person representing the User being a legal person), always obliged to state true and complete data only and to provide Artslimit only with authentic documents, not altered in any way, or true and readable copies thereof, and to provide Artslimit only with true and complete statements with respect to himself or herself; the User is obliged to update the provided information or documents immediately, whenever a change therein or amendment thereof occurs.
- 3.11. Safekeeping of the password falls within the responsibility of the User. The User is obliged to keep his or her User Account and the password thereto in secret and not to disclose it to anyone else. Artslimit shall not be held liable for loss of the password, unless mandatory provisions of the law provide otherwise in specific cases.

#### **4. Personal Data**

- 4.1. Artslimit shall protect personal data of natural persons received from Users about natural persons in connection with the Website Use Agreement and the Purchase Agreement and shall process them as a controller in compliance with Act No. 110/2019 Coll., on Personal Data Processing, as amended, and with the 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 (hereinafter referred to as "GDPR").
- 4.2. Artslimit as controller shall process the personal data of the User only to the extent to which the User himself or herself has provided them to Artslimit, especially the name and surname, the date of birth and, as the case may be, the birth certificate No., the address of the place of residence, his or her portrait or likeness, other identification data and copies of personal documents received in compliance with the AML Act, the e-mail address, payment data etc. The personal data are processed by reason and for the purposes of performance of agreements concluded by Artslimit with the User, especially the Website Use Agreement and the Purchase Agreement, if the seller is Artslimit, further by reason and for the purposes of performance of legal duties of Artslimit arising from valid legal regulations (especially tax and accounting regulations and according to the AML Act) and by reason and for the purposes of protection of legitimate interests of Artslimit, for example for cases of a dispute between Artslimit and the User. The personal data are furthermore processed for marketing purposes, especially for the purpose of sending out marketing communications (newsletters), upon User's consent to such processing.

- 4.3. All personal data, including the identification data, copies of documents and the documents received by Artslimit within the process of identification of the User, which is a part of the registration, or within the due diligence of the User, shall be archived by Artslimit for **10 year** from the occurrence of the later of the following facts:
  - 4.3.1. termination of the Website Use Agreement;
  - 4.3.2. conclusion of the Purchase Agreement.
- 4.4. The archiving period according to Art. 4.3 shall commence to run on the first day of the calendar year immediately following after the year in which the later of the aforementioned facts occurs. Upon lapse of this period of time, Artslimit shall provide deletion of the archived data. The archiving period in respect of the personal data is based on the duties of Artslimit as the obliged entity in accordance with Section 16 of the AML Act.
- 4.5. Artslimit is authorized to forward the personal data to other persons, in order to ensure operation of the Website, for the purpose of organization or mediation of the Auction, performance under the Website Use Agreement or Purchase Agreement, and for the purpose of protection of its legitimate interests or performance of its legal duties. Artslimit is authorized to provide the personal data to third parties, especially to the company Galerie Kodl, s.r.o., ID: 481 08 847, to the Seller, to external accountants, to legal and IT advisors, to administrative, judicial and other authorities.
- 4.6. Regarding the personal data processing, the User has, under the conditions stipulated by legal regulations, especially by the GDPR, the following rights that may be claimed by the User from Artslimit:
  - 4.6.1. the right to get a confirmation that the personal data are or are not processed and the right of access to personal data which have been collected and processed concerning him or her by Artslimit;
  - 4.6.2. the right to have personal data concerning him or her rectified or completed if they are inaccurate or incomplete
  - 4.6.3. the right to erasure or to restriction of processing of the personal data;
  - 4.6.4. the right to object to the processing of the personal data concerning the User;
  - 4.6.5. the right to portability of the personal data to another controller.
- 4.7. If any of the personal data are processed on the basis of User's consent, the User has the right to withdraw the consent to the processing of such personal data anytime (by a notice per e-mail to the below stated address). If the User believes that the processing of the personal data is in contradiction with legal regulations, he or she has the right to lodge a complaint with the supervisory authority, namely with Úřad pro ochranu osobních údajů (Office for Personal Data Protection), ID: 70837627, having its registered office at Pplk. Sochora 27, 170 00 Prague 7, www.uouu.cz. With any inquiries, remarks or requests concerning the processing of personal data of the User, the User may approach Artslimit per e-mail at the address info@artslimit.com.
- 4.8. Other rules of protection and processing of personal data are provided in the annex hereto titled "Principles of Personal Data Protection and Processing" available on the Website.

## **5. Services and Use of the Website**

- 5.1. **Auctions.** Through the Website, Artslimit offers the following types of Auctions to Users:
  - 5.1.1. Auctions organized in the name of Artslimit (hereinafter referred to as "**Artslimit's Own Auctions**");
  - 5.1.2. Auctions organized in the name of a third party – of the Organizer. In such cases, Artslimit acts as an agent enabling the Organizer to offer the Auction Items to Users through the Website at the Auction (hereinafter referred to as "**Third-Party's Auctions**");
  - 5.1.3. The Online Bids Service, with the Organizer organizing the live auction in its own name, within which the Users have the possibility to make online Bids through the Website and to participate thereby, through the remote access, in the live auction held by the Organizer. In such cases, Artslimit acts as an agent providing the Organizer

and the User with the possibility of making online Bids within the concerned live auction organized by the Organizer.

- 5.2. As for each Auction, Artslimit shall clearly state which type of the Auction this is.
- 5.3. Auctions shall be regulated by the Web Use Agreement, by the Commercial Terms and Conditions and the specific Auction Catalogue and the Auction Announcement, which are published as for the Auction concerned. In case of a discrepancy, the conditions according to the Auction Catalogue and/or Auction Announcement shall prevail over the wording of the Commercial Terms and Conditions.
- 5.4. **Information Service.** Artslimit offers a free service of automated informing the User about various events (especially about organization of future Auctions, about results of past Auctions about interesting items in future or past Auctions, about curiosities from the world of arts and market with objects of art, etc.) using regular e-mail messages, upon User's consent to be included in such service and to the processing of User's contact data for this purpose. Then it is the responsibility of the User himself or herself if such e-mail messages are blocked by spam filters that may be installed on his or her local PC, or on the side of his or her provider. Artslimit is not liable for any damage that may be sustained by the User as a result of failures of such information service, especially if the e-mail messages remain undelivered or are delivered to the User late. If the user wants to opt out from the Information Service within the meaning of this arrangement, he or she shall let it know to Artslimit using a link in the concerned message or within the set-up of the User Account.
- 5.5. Artslimit has the right any time, even without prior notice, to discontinue specific free services or the whole online offer on the Website, whether temporarily or permanently; Artslimit shall not be held liable for any damage or harm caused thereby to the User.
- 5.6. Artslimit has the right to expel specific Users anytime and without prior warning from using the Website or specific parts thereof and, completely or partially, to cancel the User's registration if it does so for legitimate reasons, such as a breach or suspected breach of legal duties or conditions of use of the Website. Artslimit has also the right to withdraw from the Website Use Agreement and to close the User Account of the User who has materially breached the Website Use Agreement, the Purchase Agreement or the Commercial Terms and Conditions, legal regulations, or who behaves in a way causing harm to the good reputation of Artslimit. Artslimit shall not be held liable for damage or harm that may be sustained by the concerned User in this connection.
- 5.7. The elements made accessible through the Website, such as texts, user interface, source code of the Website, photographs, charts and/or video files are subject to the copyright protection and/or protection according to other intellectual property rights. Without express written consent of Artslimit, none of such elements may be copied, used (including communication to the public over the Internet) or processed. All rights to such elements are reserved to Artslimit.
- 5.8. No-one is authorized in connection with use of the Website to use the software, scripts or similar mechanisms and measures that may interfere with functions of the Website or that may inadequately overload servers and infrastructure of Artslimit. No-one is furthermore authorized in any way to tamper with the Website, to change or to block its contents and in any way to interfere with the activity of the Website.
- 5.9. The Website uses services of third parties for collection and processing of technical data about visits and utilization of the Website, and it also collects and processes information about Cookie files. The scope, rules and conditions of exploitation of such data are set in the annex hereto titled "Principles of Personal Data Protection and Processing" available on the Website.

## **6. Auction Catalogue and Auction Announcement**

- 6.1. Through the Website, sufficiently in advance before the date of the Auction, Artslimit shall publish the Auction Catalogue, a part of which is also the Auction Announcement. The Auction Catalogue may have the form of a subsection of the Website. The Auction Catalogue, including the Auction Announcement, is a kind of an invitation to bids under the conditions stated therein.
- 6.2. The Auction Catalogue contains the identification and description of all Auction Items that are going to be offered at the Auction, including the description of their condition, accessories and any rights that may be carried by the Auction Item, the fact whether this is a cultural monument, the Starting Price, the Reserve Price; information about the Auction Item mentioned in the

Auction Catalogue are based just on the information available and Artslimit does not guarantee for the material correctness thereof.

- 6.3. The Auction Announcement, which is an integral part of the Auction Catalogue, specifies especially:
  - 6.3.1. the type of the Auction according to Art. 5.1;
  - 6.3.2. the date and time when the Auction begins;
  - 6.3.3. date and time when the Limitation Stage ends;
  - 6.3.4. the order of the Auction Items for the Live-Bidding Stage;
  - 6.3.5. the basic length of time set for the Live-Bidding Stage if such basic length of time is different for specific Auction Items or for the Auction;
  - 6.3.6. the specific Tariff if it differs from the general Tariff of Artslimit;
  - 6.3.7. the information about whether a security deposit is required for participation in the concerned Auction in general or for (a) specific Auction Item(s) included in the Auction;
  - 6.3.8. the information about whether a special registration in the list of participants is required for participation in the concerned Auction.

## **7. Auction Items**

- 7.1. All Auction Items are for sale at the Auction always irrespective of defects and deficiencies or incorrect or incomplete description. If the description of the Auction Item in the Auction Catalogue or elsewhere on the Website does not contain a certain piece of information, it does not mean that the Auction Item is free of defects and deficiencies. The damage corresponding to the normal wear and tear of the Auction Items with respect to their age or nature is not, in principle, stated in the Auction Catalogue and does not constitute any defect.
- 7.2. Photographs of the Auction Items, together with their description, shall be available on the Website (in the Auction Catalogue) for at least 7 days before the beginning of the Live-Bidding Stage of the Auction. Upon prior appointment, within the period of at least 7 days before the beginning of the Live-Bidding Stage, the Auction Items can also be seen in the premises of Artslimit at the address Národní 7, 110 00 Prague 1 - Nové Město.
- 7.3. Before the Auction, Users may ask Artslimit to obtain for them a report from a specialist about the condition, genuineness and quality of the Auction Item. All costs of elaboration of such report shall be covered by the User. The responsibility for contents of such report is carried solely by the specialist having elaborated that report. Artslimit has no responsibility for contents of the specialist's report.
- 7.4. Before the Auction, the User shall have an opportunity to make himself or herself familiar with the condition of each Auction Item and it is only up to him or her to judge whether the Auction Item corresponds to the description and to decide whether to make a Bid for the Auction Item. All information and all statements contained in the catalogue concerning the authorship, attributed features, genuineness, quality, origin, date, age, provenience, condition or appraisal value express only the opinion held by Artslimit or by the Organizer. Artslimit reserves the right to consult any specialists or official institutions as may be regarded appropriate by Artslimit.
- 7.5. Each User interested in participating in the Auction shall follow his or her own opinion and Artslimit is not responsible for correctness of such opinion, even if such opinion is influenced by the opinion held by Artslimit or by the Organizer.
- 7.6. The Auction Items shall be sold at the Auction always as used objects of art as they are. All their defects that may exist are reflected in the Starting Price, to which the User making the Bid agrees expressly and confirms it by making the Bid. Owing to the kind and nature of the Auction Items, by making the Bid which is the highest Bid, the User waives his or her rights from defective performance and any rights that may exist within the meaning of Section 1916 of the Civil Code, on condition that the Purchase Agreement is concluded. The exception according to Art. 12.1 remains thereby unaffected.
- 7.7. Any time, even in the course of the Auction, Artslimit may exclude any Auction Item from the Auction. Artslimit has the right to exclude an Auction Item from the Auction especially if there

are serious reasons to do so. If an Auction Item is excluded from the Auction in the course of dismissed by Artslimit within the meaning of Art. 9.1. sentence two, and the Purchase Agreement is not concluded.

- 7.8. All Auction Items are objects of art and require to be treated with due and professional care. The Purchaser is obliged to treat the Purchased Item with the utmost caution and in doubts it is recommended to contact a specialist in the area of arts. With respect to the nature of the Auction Items, Artslimit is not responsible for Purchaser's inappropriate handling of the Purchased Item.

## **8. Course of the Auction**

- 8.1. Artslimit or the Organizer through Artslimit can require a security deposit as a condition for participation of the User in the Auction in respect of an Auction Item. The amount of the security deposit shall be specified in the Auction Announcement or in the Auction Catalogue.
- 8.2. By making the Bid at the concerned Auction, the User:
  - 8.2.1. expresses his or her consent to the conditions and rules of the concerned Auction, i.e. beyond the framework of the Website Use Agreement and these Commercial Terms and Conditions especially also to the Auction Catalogue and the Auction Announcement;
  - 8.2.2. confirms that he or she has made himself or herself properly familiar with the (attributed) authorship, attributed features, genuineness, quality, origin, date, age, provenience and condition of the Auction Item as it is, and that he or she understands and agrees that the information about the Auction Item and about rights and obligations carried by or encumbering that Auction Item are indicative only, and that neither Artslimit, nor the Organizer nor the Seller are responsible or liable for the correctness and completeness thereof;
  - 8.2.3. takes note of the fact that the Auction Item may be subject to restrictions arising from legal regulations, especially that it may be proclaimed as a cultural monument within the meaning of Act No. 20/1987 Coll., on national monument preservation (such objects are marked in the Auction Catalogue with the word "památky" (monuments) or with the letter "P"), it may be subject to restrictions within the meaning of Act No. 71/1994 Coll., on the sale and export of objects of cultural value, or to similar restrictions; the User confirms that he or she has done everything to become aware of such nature of the Auction Item and takes note that neither Artslimit, nor the Organizer nor the Seller are responsible for the fact whether the permit for export or another administrative act will be issued by the competent administrative authority or not.
- 8.3. After the beginning of the Auction, Users have the right to make Bids during the whole Auction according to the below-mentioned rules. The Bids lower than the Starting Price or than the Last Bid Amount shall be disregarded. The minimum amount of the Bid increment is always determined at the given moment according to the Starting Price and according to the Last Bid Amount, as defined according to the Tariff or, in case of specific Auctions within the concerned Auction Announcement in the specific tariff for the concerned Auction.
- 8.4. Each Auction is divided into the Limitation Stage and the Live-Bidding Stage; each Auction has a predefined duration of the Limitation Stage, and then, at the Live-Bidding Stage following after the Limitation Stage of the concerned Auction is over, each Auction Item is outbid separately one after another. The Limitation Stage takes place at the same time for all Auction Items offered at the concerned Auction. At the Live-Bidding Stage, the items are outbid one after another in the order according to Auction Catalogue, i.e. for each Auction Item there is always a special period of time reserved as provided below.
- 8.5. At the Limitation Stage, it is possible to set one's own limit for the highest Bid with respect to each Auction Item; the limit set by the User at the Limitation Stage shall be his or her Bid made at the Auction. The limit shall be higher than the Starting Price of the concerned Auction Item. Once the Limitation Stage is over, the Last Bid Amount of each Auction Item is determined as the amount of the limit (Bid) being the highest at that time; at that moment, the currently highest bidder is the originator of this highest limit (Bid). If there is no limit set by any of the Users with respect to the Auction Item at the Limitation Stage, then, as at the end of the Limitation Stage, the Last Bid Amount of such Auction Item shall be the Starting Price of such Auction Item.

- 8.6. At the Live-Bidding Stage, Bids can be made in the amounts respecting the current minimum amount of the Bid increment, always only with respect to one Auction Item. The Live-Bidding Stage shall start for each Auction Item at the Auction separately, for the first Auction Item in the order according to the Auction Catalogue after the end of the Limitation Stage of the concerned Auction, for further Auction Items in the order according to the Auction Catalogue each time after the end of the Live-Bidding Stage of the previous Auction Item. The basic duration of the Live-Bidding Stage is 5 minutes; however, the Auction Announcement may provide a different basic duration of the Live-Bidding Stage for the concerned Auction or for a specific Auction Item at the concerned Auction. With each Bid made with respect to the concerned Auction Item at the Live-Bidding Stage, the duration of the Live-Bidding Stage starts to run from the beginning again and in this way the duration of the Live-Bidding Stage is prolonged with respect to each Auction Item in a row until the Participants make no more Bids with respect to the concerned Auction Item. With lapse of the Live-Bidding Stage, the Auction with respect to the concerned Auction Item is over.
- 8.7. Once a Bid is made or a limit is set, then such Bid or limit is irrevocable and binding upon the User for 21 days after the Auction is over.
- 8.8. It is the sole discretion of Artslimit to decide whether a Bid is admitted in the event of a dispute or another controversy about making the Bid, for example if several different users make several identical Bids, if the Bid has been overlooked or in the event of technical problems due to which the Bid has not been registered. For the given reasons, Artslimit may cancel the Bid until lapse of 3 days from the end of the Auction, and is authorized to offer the Auction Item at the Auction currently in progress or at any further Auction.
- 8.9. With the lapse of the period of the Auction of the concerned Auction Item, the offer of the User having made the highest Bid shall be regarded winning (Winning Bid) and the originator of such Winning Bid becomes the Winning Bidder. If no Bid is made during the Live-Bidding Stage with respect to the Auction Item, the Winning Bidder shall be the originator of the highest limit from the Limitation Stage; the corresponding amount of his or her limit shall be, as the highest Bid at the Auction, the Winning Bid. The Winning Bid shall be added with the auction fee and (as the case may be) also with other fees at the rate according to the currently valid Tariff; these charges together with the Winning Bid shall make the Purchase Price. Conclusion of the Purchase Agreement with the Winning Bidder shall occur only under the conditions according to Art. 9.
- 8.10. Without any delay after receiving the payment data through his or her User Account or through a confirmation e-mail message according to Art. 9, but no later than 10 days thereafter, the Winning Bidder is obliged to pay the Purchase Price per wire transfer to the bank account of Artslimit, according to the instructions received by the User for this purpose.

## **9. Purchase Agreement and Transfer of Ownership Right**

- 9.1. The Purchase Agreement is deemed concluded when Artslimit confirms to the Winning Bidder that the offer has been accepted by Artslimit. There is no legal right to the confirmation of the offer acceptance; Artslimit may refuse any offer (even the winning bid). The confirmation of the offer shall be made electronically, either in the form of a notice in the User Account or in the form of a notice sent to the e-mail address of the Winning Bidder. This notice renders the Purchase Agreement concluded, but the Purchase Agreement does not come into effect until the last of the following conditions is met:
  - 9.1.1. The Purchase Price has been fully paid by the Winning Bidder, i.e. it has been credited to the bank account of Artslimit,;
  - 9.1.2. If the Winning Bidder is a User not fully registered within the meaning of Art. 3.6. et seq. yet, all conditions for such full registration need to be met and the full registration of the User has to be finished successfully (especially the full identification of the User within the meaning of the AML Act according to Art. 3.7. et seq.)
  - 9.1.3. If this is the first payment of the Winning Bidder within the framework of Auctions on the Website, the Purchase Price shall be paid from the bank account of the Winning Bidder held in the name of the Winning Bidder in a credit institution (i.e. a bank or a savings or credit cooperative) or in a foreign credit institution operating on the territory of a country of the European Economic Area within the meaning of the AML Act and within the meaning of Art. 3 of these Commercial Terms and Conditions;

- 9.1.4. If the Purchase Price exceeds the amount of EUR 15,000 or its CZK equivalent according to the current exchange rate announced by the Czech National Bank, or if the Winning Bidder is a politically exposed person or a settled in a country which is, based on a designation by the European Commission or for another reason, considered as high-risk within the meaning of AML Act, or if Artslimit has a reasonable suspicion that the purpose of the purchase is the legitimisation of proceeds from crime or that it is connected with financing of terrorism, the Winning Bidder shall undergo a successful due diligence in compliance with Art. 10 and the Winning Bidder shall receive the confirmation of successful performance of due diligence regarding the Winning Bidder.
- 9.2. In case of Artslimit's Own Auction, the Purchase Agreement is concluded between the Winning Bidder and Artslimit acting in its own name at the expense of the Seller. In case of a Third-Party's Auction or the Online Bids Service, the Purchase Agreement is concluded between the Winning Bidder and the Organizer acting in its own name at the expense of the Seller. The Purchase Agreement shall always contain, as an annex thereto, these Commercial Terms and Conditions.
- 9.3. The Purchase Agreement shall not become effective until the conditions stipulated in Art. 9.1.1 - 9.1.4. are met. The ownership right to the Auction Item shall devolve upon the Winning Bidder as soon as the Purchase Agreement comes into effect.
- 9.4. If the conditions stipulated in Art. 9.1.1 - 9.1.44 are not met within 10 days from the date of conclusion of the Purchase Agreement, then the Purchase Agreement shall become rescinded. Then Artslimit may confirm as the highest bid the Bid which is the next highest, or include the Auction Item in any further Auction, or return the Auction Item back to the Organizer or to the Seller, as the case may be.
- 9.5. If the Purchase Price is not paid within 10 days from the date of conclusion of the Purchase Agreement, Artslimit has the right to claim from the Winning Bidder the payment of the contractual penalty in the amount of the auction fee according to the currently valid Tariff, while the amount of the contractual penalty may be set off by Artslimit with the security deposit if it has been paid by the Winning Bidder. The payment of the contractual penalty shall not affect the right of Artslimit to a compensation for damage in full amount, besides the contractual penalty paid.
- 9.6. Upon Purchaser's request, Artslimit shall obtain for the Purchaser a confirmation of payment, a part of which shall be a receipt confirming payment of the auction fee and other fees according to the currently valid Tariff.

## **10. Due Diligence of Winning Bidder**

- 10.1. If (a) the Purchase Price exceeds EUR 15,000, or (b) the Winning Bidder is a politically exposed person, or (c) a person settled in a country which is, based on a designation by the European Commission or for another reason, considered as high-risk within the meaning of the AML Act, or (d) if Artslimit has a reasonable suspicion that the purpose of the purchase is the legitimisation of proceeds from crime or that it is connected with financing of terrorism, then Artslimit is obliged to perform a due diligence of the Winning Bidder.
- 10.2. The Winning Bidder is obliged to provide cooperation and to enable Artslimit the due diligence within the scope required by the AML Act, especially, without undue delay, to provide the cooperation (including a.o. presentation of relevant documents) and to enable Artslimit:
- 10.2.1. to ascertain the sources of monies or other assets to which the purchase relates;
- 10.2.2. if the Winning Bidder is a legal person, to ascertain the ownership and control structure of the Winning Bidder and the beneficial owner thereof.
- 10.3. If Artslimit, having performed the due diligence, has no doubts that the origin of the monies or other assets and the nature of the purchase are not in contradiction with the AML Act, a confirmation of successful performance of the due diligence of the Winning Bidder shall be issued and sent by Artslimit to the Winning Bidder through the User Account.

## **11. Passage of Risk of Damage to and Handover of Purchased Item**

- 11.1. The risk of damage to the Purchased Item shall pass to the Purchaser with devolution of the ownership right; the Purchaser takes note of the fact that after the Auction is over, the Auction

Items are not covered by the insurance of Artslimit (in case of Artslimit's Own Auction) or of the Organizer (in case of a Third-Party's Auction) and, for the event of damage to the Purchased Item, the Purchaser understands it and agrees.

- 11.2. The Purchaser is obliged to take over the Purchased Item on the effective date of the Purchase Agreement. If the Purchaser fails to take the Purchased Item over within ten days from the effective date of the Purchase Agreement, Artslimit has the right, as of the eleventh day, to claim from the Purchaser the storage fee at CZK 500 for each commenced day of the delay.
- 11.3. The Purchaser has to right to contact Artslimit with a request to send the Purchase Item. Artslimit may comply with Purchaser's request to send the Purchased Item; in such a case, the costs of freight of and, for the time of the transportation, also the risk of damage to the Purchased Item shall be borne solely by the Purchaser. Artslimit shall send the Purchased Item to the Purchaser through the provider of freight and logistics services chosen by the Purchaser; upon Purchaser's request, Artslimit may recommend a provider of freight and logistic services with which Artslimit usually cooperates. Artslimit shall not be held responsible for the Purchaser's choice of any provider of freight and logistic services or for damage arisen or caused at the transportation. The transported items are not covered by Artslimit's insurance, which the Purchaser takes note of.
- 11.4. Should the Purchased Item not be taken over within 3 months from the effective date of the Purchase Agreement, Artslimit has the right to withdraw from the Purchase Agreement or to include the Purchased Item in any further Auction and to sell it, at the expense of the Purchaser, in the position of the Seller; in such a case, the Purchaser shall cover all costs that the Seller may incur in connection with the sale of the Auction Item; withdrawal from the agreement according to the provision above shall not affect the right of Artslimit to the contractual penalty, storage fee or a claim by reason of a compensation for damage or other harm.

## **12. Claims for Defects**

- 12.1. If Artslimit sells the Auction Item in Artslimit's own name, the Purchaser being in connection with this transaction in the position of a consumer within the meaning of Section 419 of the Civil Code can make a claim for defects thereof to Artslimit, without undue delay after the Purchaser had an opportunity to inspect the Purchased Item. With respect to the nature of the Auction Items, Artslimit shall not be held responsible especially for the origin, authorship, attributed features, artistic characteristics or categorisation, content, sense or meaning thereof. All features of the Auction Items at the Auction are mentioned as attributed; Artslimit does not guarantee for their correctness or accuracy. Claims for apparent defects shall be made to the Purchaser no later than 5 days from the date of takeover of the Purchased Item. The Purchaser may make claims for defects to Artslimit only if Artslimit is a party to the Purchase Agreement. In other cases, the Purchaser may approach the Organizer or the Seller.
- 12.2. Except the claims according to Art. 12.1, any claims for defects are, with respect to the nature of the Auction Items, ruled out. Users make Bids at their own risk and they themselves are responsible for inspecting the Auction Item and for verifying that the description mentioned in the Auction Catalogue corresponds to the Auction Item, including all information stated about it there.
- 12.3. Artslimit has no responsibility for the Purchased Items bought within a Third-party's Auction or the Online Bids Service; with their requests, Participants shall approach the Organizer, as identified on the Website in such a case.

## **13. Termination of Agreements**

- 13.1. The Purchaser being in the position of a consumer within the meaning of Section 419 of the Civil Code has the right to withdraw from the Purchase Agreement without cause, within 14 days from the takeover of the Auction Item. The withdrawal from the Purchase Agreement shall be made and within 14 days delivered to the contact address of Artslimit: Národní 7, Prague 1.
- 13.2. Notwithstanding the possibility of withdrawal of the User without cause according to Art. 13.1, the User and Artslimit have the right to withdraw from the Purchase Agreement for the cause of a material breach thereof by the other party under the conditions according to Section 2002 of the Civil Code.
- 13.3. In the event of withdrawal from the agreement, the Purchase Price shall not be returned until the Purchased Item is returned. If it turns out that after the Purchased Item is returned, it shows

signs of damage or of tear and wear, Artslimit or, in case of a Third-Party's Auction, also the Organizer or the Seller has the right to deduct from the returned Purchase Price a reasonable amount for repair of the Purchased Item or as a compensation for its degradation; costs of the repair or compensation for the degradation may amount up to 100% of the Purchase Price, including the auction fee and other fees, if there is an objective reason for it. If the Purchaser enjoyed any gain from use of the Purchased Item during the time before the withdrawal, Artslimit or, in case of a Third-Party Auction, also the Organizer or the Seller have the right to a reasonable reward for such use.

- 13.4. The Purchaser as well as Artslimit shall have the right anytime to terminate the Website Use Agreement, with a 15-day term of notice. The notice of termination shall be delivered through the User Account or per e-mail to the e-mail address of the User stated in the User Account, and in case of the notice given by the User per e-mail to the e-mail address of Artslimit: info@artslimit.com
- 13.5. In the event of termination of the Website Use Agreement or of the Purchase Agreement in any way, such termination shall not affect the rights to the compensation for damage or contractual penalties, storage fees, compensation for costs of repairs, compensation for degradation or any other provisions concerning the rights and duties the nature of which implies that they are supposed to survive after termination of the Website Use Agreement or of the Purchase Agreement, and such rights, duties and claims shall survive after termination of the obligation.

#### **14. Extrajudicial Solution of Disputes**

- 14.1. Should a dispute arise between the User being in the position of a consumer within the meaning of Section 419 of the Civil Code and Artslimit, the User has the right, in accordance with this Art. 14, to file a petition for extrajudicial solution of the dispute with the Czech Trade Inspection Authority (Česká obchodní inspekce) for the purpose of achievement of an amicable settlement with Artslimit. The petition may be filed through contact data available on the website of the Czech Trade Inspection Authority (www.coi.cz). Submission of the petition and the subsequent participation in the extrajudicial solution of the dispute is free of charge for the User, while all costs that may arise in connection with the extrajudicial solution of the dispute shall be borne by each of the parties separately. The choice of the extrajudicial solution of the dispute is voluntary.
- 14.2. The extrajudicial solution of the dispute shall be regulated by Section 20d et seq. of Act No. 634/1992 Coll. on Consumer Protection. The petition for institution of the extrajudicial solution shall contain the requisites according to Section 20n of the Act on Consumer Protection and can be filed no later than 1 year from the date when the User made the disputed claim to Artslimit for the first time.
- 14.3. The Users having their place of residence in another member state of the EU, in Norway or in Iceland have the right to file the petition for extrajudicial solution of their dispute with the Operator through the European Consumer Centre in the country of their residence; a list of the relevant consumer centres is available on the website of the European Commission (ec.europa.eu).
- 14.4. A possibility of filing the petition for extrajudicial solution of a dispute with Artslimit applies solely to the disputes concerning services and agreements concluded with Artslimit, i.e. not to mutual disputes between the Purchaser (consumer) and the Seller of the Organizer. Even such dispute can also be solved by extrajudicial settlement before the Czech Trade Inspection Authority if the Purchaser (consumer) is, in the relation to the Seller or the Organizer being an entrepreneur, in the position of a consumer, but without participation of Artslimit.

#### **15. Changes in Commercial Terms and Conditions**

- 15.1. Artslimit may change the Commercial Terms and Conditions anytime unilaterally to the reasonable extent in accordance with Section 1752 of the Civil Code. The changes shall be communicated by Artslimit to the User at least 14 days in advance by sending a reference to the new wording of the Commercial Terms and Conditions to the e-mail address stated in the User Account. If the User does not agree to the new wording of the Commercial Terms and Conditions, the User has the right to refuse the changes and to terminate the Website Use Agreement with a 15-day term of notice. The notice of termination shall be delivered by the User to Artslimit in the way mentioned in the e-mail by which the changes in the Commercial Terms and Conditions were communicated to the user. If the User does not refuse the changes in the

Commercial Terms and Conditions within 14 days, then the new wording is deemed accepted by the User.

- 15.2. The new wording of the Commercial Terms and Conditions according to the previous paragraph shall apply to all Auctions that will be held after the effective date of the changes. However, the new wording of the Commercial Terms and Conditions shall not apply to the Auctions started already during the effectiveness of the previous wording of the Commercial Terms and Conditions.

## **16. Final Provisions**

- 16.1. The Auctions are not open to the public, they are accessible only for customers of Artslimit, i.e. for registered Users and for other persons registered as participants of the auction. The Auctions have not the status of the public auctions within the meaning of Act No. 26/2000 Coll., on Public Auctions, so this Act shall not apply to the Auctions.
- 16.2. The relations established by the Website Use Agreement and by the Purchase Agreement shall be governed by Czech laws and any disputes that may arise from them shall be solved by Czech courts with the jurisdiction of the ordinary court according to the registered office of Artslimit, unless a mandatory provision of the law defines another court or authority to have the jurisdiction.
- 16.3. Should any provision of the Commercial Terms and Conditions be for any reasons invalid or ineffective, the other parts of the Commercial Terms and Conditions, the Website Use Agreement or the Purchase Agreement shall be thereby unaffected and remain valid and effective.
- 16.4. The Commercial Terms and Conditions have the following annexes, which constitute an integral part thereof:
  - 16.4.1. Tariff;
  - 16.4.2. Principles of Personal Data Protection and Processing.

In Prague on 1.1.2021

Artslimit, s.r.o.

#### 16.4.1: Tariff

Unless otherwise specified on the artslimit.com website or in the auction notice, the following bid increments are applied in the auctions:

<b>Current price from (CZK)</b>	<b>Current price up to (CZK)</b>	<b>Bid increment (CZK)</b>
0	20 000	500
20 001	100 000	1 000
100 001	200 000	2 000
200 001	500 000	5 000
500 001	2 000 000	10 000
2 000 001	+ ∞	50 000

Unless otherwise stated on the artslimit.com website or in the auction notice, an auction fee of 25% of the hammer price is added to the purchase price. Auction fee includes VAT and artists resale rights.