

EGE, spol. s.r.o General Terms and Conditions for Sale of Goods

These General Terms and Conditions of EGE, spol. s r.o. for the sale of goods that are an integral part of the Purchase Agreement (Offer) and are valid and effective in their entirety unless explicitly agreed otherwise in writing in the particular Purchase Agreement (Offer), exactly stipulate mutual rights and liabilities between EGE, spol. s r.o. as the Seller and a customer as the Purchaser for the purpose to arrange the economic interests of the contractual relation participants.

1. Origination of Liabilities from Purchase Agreement

1.1 Liabilities from the Purchase Agreement origin:

- a) By means of the Purchaser's written order on grounds of the previous offer by the Seller or by means of concluding a Purchase Agreement, in which the required goods are unambiguously specified, including their amount, the purchase price, as well as the place and term of delivery, the applicable delivery terms of INCOTERMS 2010, the contractual parties, and the required technical documentation.
- b) By taking over the required goods by the Purchaser against a written order or a certified bill of delivery or against the settlement of the purchase price.

1.2 An offer is valid for 60 days from the date of its issue. After the lapse of 60 days the offer as a proposal for a contract conclusion expires. The Seller reserves the right to recall any offer during its life, unless the offer has already been accepted (placing of an order) by the Purchaser. Any and all changes of the original offer must have already been specifically agreed. In case that the Purchaser sends to the Seller an Order containing different data, specifications, values, rights and obligations at variance with the Seller's offer, it is deemed to represent a counterproposal Agreement.

1.3 Additional oral agreements are invalid. The contractual parties agreed a written form of the Purchase Agreements as binding, which applies to any and all appendices, changes and amendments of the contractual documents.

2. Price for Goods

2.1 The purchase price for the subject of the Agreement is determined on grounds of an agreement and specified in the Purchase Agreement (Offer). As regards inland deliveries in CZK, the payer of the Value Added Tax charges VAT according to the regulations applicable on the date of issue of each particular invoice. To avoid any doubt the price specified in the Purchase Agreement (Offer) does not include VAT.

2.2 The Purchaser takes into account and agrees that any change in the goods amount, features, technical documentation, delivery terms, or place and term of delivery required on the Purchaser's part may influence the purchase price of the sold goods. In accordance with the foregoing any change in the goods delivery required by the Purchaser shall in each case be subject to an agreement of the contractual parties on the corresponding change in the purchase price for the goods.

2.3 An option to apply any provided price reductions or bonuses provided by the Seller is always subject to the precondition that all due invoices issued by the Seller and delivered to the Purchaser and related to previous business cases have been fully settled.

2.4 The Seller is entitled to demand settlement of the purchase price for the goods or their part, even in the event that the goods have not been taken over by the Purchaser for the reason of a breach of the obligation to provide cooperation upon the goods handing over, provided that the Seller enabled the Purchaser to dispose with the goods in accordance with the Purchase Agreement (Offer).

3. Terms of Payment

- 3.1 The Purchaser undertakes to settle the purchase price on grounds of an invoice according to the terms of payment specified in the Purchase Agreement (Offer). Settlement of the purchase price will be executed by means of a cashless transfer to the seller's bank account specified in the relevant invoice.
- 3.2 The term of payment is 30 days from the date of a provable delivery of a duly issued invoice to the Purchaser.
- 3.3 The incoming settlement of the Purchaser's financial obligations will be used first to settle the oldest due liability: preferentially the accessories thereof and the Seller's rights related to such Purchaser's liability (e.g. a contractual fine) and then the principal.
- 3.4 The Purchaser is obliged to pay to the Seller a contractual penalty amounting to 0.1 % of the sum due per each day of delay in payment of any Purchaser's due liability ensuing from this Agreement. Application of a contractual penalty does not preclude the Seller's right to claim full compensation for any incurred and provable damage.

4. Terms of Delivery, Fulfilment of Obligation

- 4.1 The Seller is obliged to deliver the subject of the Agreement in the amount, quality, and design according to the Purchase Agreement (Offer), including any and all documentation related to the subject of the Agreement. The Seller's liability to deliver the goods is fulfilled at the moment of allowing the Purchaser to deal with the goods at the agreed place or at the moment of the goods handover to the first carrier to provide their transport to the Purchaser if it is stipulated in the Agreement that that the goods shall be despatched by the Seller. The Seller shall notify the Purchaser of the goods despatching on the date of their handover to the first carrier at the address specified in the dispatch dispositions if it is stipulated in the Agreement that that the goods shall be despatched by the Seller.
- 4.2 The Purchaser is obliged to confirm to the Seller receipt of the subject of the Agreement and the related documentation on a delivery note or another document (e.g. the goods handover protocol). Unless otherwise stipulated in the applicable delivery terms of INCOTERMS 2010, the risk of damage regarding the subject of the Agreement is transferred to the Purchaser at the moment of taking over of the subject of the Agreement.
- 4.3 The Purchaser acquires the proprietary rights to the goods after the full settlement of the purchase price as well as all other liabilities ensuing from the Purchase Agreement.
- 4.4 The Seller is obliged to duly pack or to ensure transportation of the subject of the Agreement in the manner necessary to preserve, protect and not to damage the goods.
- 4.5 The Purchaser is obliged to duly, carefully, in detail and with due diligence check the delivered goods immediately after delivery and to apply any visible defects, incompleteness, varied features, and visible damages on the goods immediately after the goods delivery.
- 4.6 If it is explicitly set forth in the Purchase Agreement (Offer) that a qualitative takeover of the goods shall take place, such takeover shall be executed with participation of both contractual parties' authorized representatives in the Seller's registered office or at another place determined before the goods dispatching. The Seller shall notify the Purchaser of the term and place of such qualitative takeover at least 5 days in advance. A protocol containing the Purchaser's statement whether he is taking over the goods as regards their quality shall be elaborated upon such qualitative takeover. Provided that the Purchaser does not appear at the qualitative takeover in due term duly notified to the Purchaser by the Seller, the Seller is entitled to deliver the goods without such qualitative takeover.

5. Warranty, Complaints and Liability for Defects

- 5.1 The guarantee period is 24 months and starts on the date of the contracted goods delivery. By means of the warranty the Seller declares that during the guarantee period the delivered goods will be suitable for use for the agreed purpose and that they shall perform the qualities specified in the Purchase Agreement.

- 5.2 The Purchaser is obliged to apply any complaint for defective goods during the guarantee period in writing and to deliver such complaint to the Seller's registered office specified in the Purchase Agreement (Offer).

All removable defects will be dealt with by means of the goods repair or delivery of replacement goods for the defective goods, the Seller shall make choice among the foregoing solution according to the removable defect nature. All irremovable defects will be dealt with by means of delivery of replacement goods for the defective goods. Any defects on goods must be notified to the Seller immediately after their detection, in any case not later than by the lapse of the guarantee period. After the lapse of the guarantee period no claims for defects may be applied any longer.

- 5.3 The Seller is not liable for (i) any defects caused by unqualified disposition with the goods or their components on the part of the Purchaser and/or any other persons, (ii) any defects caused by third parties, (iii) any defects caused by improper use or operation of the goods, (iv) any defects caused by means of a force majeure, (v) any defects caused by the goods excessive wear and tear, (vi) any defects caused by the goods alteration without the Seller's consent.

6. Withdrawal from Agreement

- 6.1 The Seller is entitled to withdraw from the Agreement among other for the following reasons:

- the Purchaser is in delay with payment of the purchase price or its part for more than 60 days;
- in conflict with the Purchase Agreement the Purchaser refuses to take over the delivered goods without due reason or does not provide sufficient cooperation upon the goods takeover;
- in case that bankruptcy, restructuring or insolvency proceedings not showing an apparently chicanery character have been initiated as regards the Purchaser's property or if the Purchaser instituted liquidation or lost his trade authorization necessary to provide performance pursuant to the Agreement according to the applicable regulations, or provided that other acts indicating the initiation of bankruptcy, settlement or insolvency proceedings not showing an apparently chicanery or liquidation character have been initiated (mainly filing of a motion for bankruptcy, settlement or insolvency proceedings).
- provided that an event of force majeure on the Seller's part endures uninterruptedly for at least 45 calendar days before the goods delivery;

- 6.2 The Purchaser is entitled to withdraw from the Agreement for the reasons stipulated by law. Provided that the Purchaser withdraws from the Agreement, he is obliged to pay to the Seller any and all purposely spent and provable costs, which the Seller has incurred so far in relation with the performance of the Purchase Agreement. In accordance with the parties' intention this provision hereof shall survive even after the termination of this Agreement.

7. Force Majeure

- 7.1 Force majeure, circumstances occurring after signing this Agreement as a consequence of events of extraordinary nature, and event which could not have been expected or anticipated by the Seller and which have occurred independently of his will and precluded his fulfilment of duty to deliver the goods, mainly but not exclusively: strikes, measures of appropriate state bodies, traffic accidents, electricity supply failure, flood, fire, deluge, thunder stroke, blocking of communications leading to the place of delivery, earthquake, windstorm, a natural disaster or an act of God, unfavourable weather conditions, incessant and intensive rain, war or state of war, a revolution, a rebellion, a military coup, and civil war relieve the Seller from his liability to deliver the goods.. The Seller is obliged to notify the Purchaser of the impediment in the form of a force majeure within eight days from its occurrence.

- 7.2 The goods delivery term shall be automatically extended by the period for which lasted the conditions specified in the foregoing paragraph.

8. Compensation for damages

- 8.1 The contractual parties have agreed that all claims of the Purchaser towards the Seller based on the liability of the Seller for breach of this Contract are limited to a maximum amount of 100% of the agreed purchase price, excluding VAT.
- 8.2 The contractual parties agree that only direct damage shall be compensated. Indirect and consequential damage, lost profits is excluded from any such compensation; the Purchaser is not entitled to apply or recover from the Seller compensation for such damage. If the Purchaser claims compensation of indirect or consequential damage, lost profits in terms of the foregoing sentence hereof, such acting is deemed to be opposing the principles of an honest business relationship and the business practice established between both contractual parties and in conflict with good manners.

9. Final and Other Provisions

- 9.1 The text of the Purchase Agreement (Offer) may be modified, amended or extended only in the form of written upwardly numbered appendices signed by both contractual parties.
- 9.2 The Purchase Agreement (Offer) is made in two identical copies, each having the validity of an original copy and each contractual party shall receive one copy.
- 9.3 The Purchaser undertakes not to provide to any third party any documents, experience or knowledge received from the Seller on grounds of the Purchase Agreement, not even after the termination of this contractual relationship. This obligation does not apply to the information, which became public knowledge without any breach of such confidentiality obligation. The Purchaser acknowledges that the information contained in the submitted details and documents as well as any and all other information handed over by the Seller are confidential, unless indicated as non-confidential or readily available in public information resources. The Purchaser undertakes not to misuse in any way whatsoever solutions, or production and/or technological procedures of the Seller with which the Purchaser became acquainted in connection with the goods delivery and/or with this Agreement.
- 9.4 The Purchase Agreement must be signed by both contractual parties. Provided that it concerns legal parties, the Purchase Agreement shall be signed by a person entitled to act and enter into legal acts on behalf of each legal person. The Purchaser is obliged to notify the Seller without delay of any changes concerning his legal identity, e.g. an acquisition or merger with another entity, a transfer of liabilities to a legal successor or a third party as well as any and all other matters that may influence the fulfilment of duties ensuing from this Agreement.
- 9.5 The Agreement (Offer) is governed by the Czech law, which the contractual parties arranged to be the governing law for the assessment of mutual rights and duties. The contractual parties exclude the application of the United Nations Convention on Contracts for the International Sale of Goods to the assessment of rights and duties ensuing from the Agreement (Offer). The contractual parties will resolve any and all disputes ensuing from the Agreement (Order) at the general court the international jurisdiction whereof shall be determined by the Seller's registered office on the date of any filing of a complaint.