

**1. General Provisions**

- 1.1 The "General Trading Conditions" (GTC) are valid unless the Seller and the Buyer stipulate some terms in the Contract of Sale otherwise.
- 1.2 The business terms of the Buyer are binding for the Seller only if the Seller has accepted them explicitly in writing in the Contract.
- 1.3 Orders of the Buyer are binding for the Seller only if the Seller has accepted them in writing as a confirmation of the Buyer's order.
- 1.4 All changes, additions and amendments in the Contract require a written consent of the Seller, otherwise they are not valid.
- 1.5 Materials enclosed in offers, e.g. drawings, pictures, data about weight and so on, are only approximate, unless the Seller specifies otherwise.
- 1.6 All drawings, technical documentation, films, slides, disks and records and other technical data are a moral property of the Seller and it is not allowed to put them at a disposal of the third party without a previous written permission of the Seller.
- 1.7 Arrangements preceding the signature of the Contract lose validity after signing the Contract unless they are included in the Contract or are in conformity with these GTC.
- 1.8 Without a previous written consent of the Seller the Buyer is not entitled to transfer any rights and obligations ensuing from the Contract between the Seller and the Buyer on the third party.
- 1.9 If the Buyer does not fulfil some of his obligations, the Seller is entitled either to insist on their fulfilment or can abandon the Contract. However, in both cases the Seller is entitled to claim a compensation of the incurred loss.
- 1.10 Unless there are some special terms agreed, the Seller is obliged to provide the goods in the version with usual accessories which can be used for the purpose for which the goods are produced.

**2. Packing**

- 2.1 The goods are delivered in a common packing which is suitable for the specified goods and transport conditions to prevent the goods from damage during the transportation to the place of destination.
- 2.2 Returnable pallets and other packing of this kind which are specified as returnable will be charged for together with the goods. If the Buyer sends these packing back in an unobjectionable condition to the Seller by return without using them, however, in the period of two months after sending off the goods by the Seller at the latest, the Buyer is entitled to charge the Seller 75 % of their price.

**3. Prices**

- 3.1 Settlement about the price of the goods is considered the basic condition and without its determination or at least the determination how to set the price is the Contract invalid.
- 3.2 Unless otherwise agreed in the Contract of sale, the price is to be understood FCA Turnov (according to INCOTERMS 2010).

**4. Deliveries**

- 4.1 If the Seller breaks the delivery term, the Buyer is obliged to determine another delivery term in writing with the Seller. Otherwise the Seller sets the new delivery term. The nature of production and the state of completion of the goods are to be taken into account at the setting the new delivery term. If the Seller fails to deliver the goods even at this new delivery term, the Buyer is entitled to abandon the Contract for the part of the Contract, which was not fulfilled by the Seller or which was not notified as prepared for despatched or was not manufactured. The Buyer is entitled to abandon the Contract only in the case that the goods which is late despatched, reported or manufactured is useless for him. If a loss arises from the delay of the delivery even in the spare delivery term and the Seller is responsible for the delay, the Seller will compensate the evidenced loss to the Buyer in the form of a Contract Fine, however 0,5 % at most of the value of the delayed part of delivery for every whole week of the delay, however 10 % at most of the price of the delayed part of the delivery.
- 4.2 Term of delivery agreed on for individual cases is valid or becomes to be valid by the day of signature of the Contract of sale or by sending away the confirmation of the order unless otherwise stipulated in these documents. But it does not apply to the case when all technical or commercial terms were not agreed on or all required data or necessary authorisations were not presented by the Buyer or the Buyer authorisations were not presented by the Buyer or the Buyer did not deliver provided components for the manufacture of the goods. In this case the term of delivery begins to run or will be stipulated subsequently by the Seller only after the delivery of these things to the Seller.
- 4.3 Contingent requirements of the Seller to change or amend the Object of the Contract of sale if accepted by the Buyer extend the settled term of delivery in an adequate way or the Seller is entitled to change the term of delivery.
- 4.4 The Seller is entitled to provide the goods in partial deliveries or before the stipulated term of delivery. At partial deliveries of the goods breaking the term of delivery for some of partial deliveries has no effect on validity of the Contract of sale and represents no claim for compensation of a loss. Incoterms 2010 apply to the provision of goods according to interpretation of the International Chamber of Commerce in Paris.

4.5 If the terms of the Contract are not fulfilled then both Contract parties will not assert other sanctions or claims to compensate the loss except those stated in these terms or in the relevant Contracts of Sale.

**5. Payment**

- 5.1 Payment is considered to be accomplished as soon as the whole outstanding amount is transferred to the Seller's account at his bank to his free disposal.
- 5.2 When a bill of exchange or cheque is used as means of payment, the payment is considered to be accomplished only then till these documents have been collected properly and the amount has been put at the Seller's account at his bank to his free disposal.
- 5.3 If the Buyer is delayed with the payment, the Seller is entitled, without having to send any reminder, charge the interest from the delay for the period from the maturity of the outstanding amount till its payment, exceeding by 7 % the discount rate of the Czech National Bank in Prague valid on the day of payment of the claim.
- 5.4 If the Buyer is delayed with the payment, the Seller is entitled to hold up deliveries of all contracts with the Buyer and it does not mean breaking of the contracts or the right to abandon the Contract.
- 5.5 The Buyer is obliged to perform his payment obligations to the Seller directly to him or according to his written instructions through appointed bank or to a person with a proper power of attorney for the specific case.

**6. Proprietary Right to the Goods**

- 6.1 The subject of the Contract of Sale - the goods provided by the Seller - remains in ownership of the Seller till the time when the Buyer fulfils all his obligations to the Seller, in particular till the price is fully paid.

**7. Circumstances Excluding Responsibility**

- 7.1 In case of events which occur after signing the Contract which are unpredictable at the time of signing the Contract and which prevent the Seller from fulfilment of his obligations following from the Contract, the Seller is entitled to postpone the term of delivery by the time for which the obstruction lasted and by the time necessary for starting his normal activity.
- 7.2 Circumstances excluding responsibility are represented by events which the Seller cannot turn away, e.g. wars, up-risings, riots, strikes, further on currency, commercial, political or other or other provisions of authorities, further on natural events, fires, floods and so on, further delays in deliveries of materials and components for which the Seller is not responsible, traffic and business problems and similar events of force majeure which affect or substantially impede or make impossible fulfilment of the Seller's obligations ensuing from the Contract. In these cases the Seller is entitled to abandon the Contract without having to compensate any contingent loss to the Buyer.
- 7.3 The Buyer can require an announcement from the Seller whether the Seller will abandon the Contract or fulfil the Contract in a reasonable spare delivery term. Unless the Seller announces his intention in an adequate period, the Buyer is entitled to abandon the Contract. Partial fulfilment which was already realised cannot be rejected by the Buyer.

**8. Claims and Complaints**

- 8.1 Claims of the Buyer at the provision of the defective goods expire unless they are presented in writing in the period 10 days from the day of fulfilment of the delivery or from the date of arrival of the consignment to the place of destination. This period is six months from fulfilment of the delivery in case of hidden defects. The Buyer states all necessary details of the defect in a written claim. The Seller has the right to inspect the claimed goods or have it checked by an entrusted person.
- 8.2 The Seller can replace or repair the defective goods or their parts or have them repaired or provide a reasonable reduction. The Buyer is not entitled to any compensation by virtue of a defective delivery. The Seller is entitled to take back the defective goods towards the repay of the paid Price of Sale.
- 8.3 The missing lots will be if possible and reasonable delivered or the Buyer will obtain a credit note.
- 8.4 The Seller provides a guarantee for the quality of his products according to Guarantee terms, which are part of the Contract of Sale, namely six months from the date of fulfilment of the delivery by the Seller.
- 8.5 The Seller does not provide any other guarantee and obligations unless otherwise stipulated in the Contract.

**9. Final Provisions**

- 9.1 Responsibility and liability of the Seller abide by the provisions of these GTC. Claims inclusive claims to compensation of a loss unless mentioned in these terms, whatever kind they may be, are excluded.
- 9.2 Place of fulfilment of the Contract obligations and provisions of the Seller are his seat or his warehouse or specified premises.
- 9.3 The Buyer is not entitled, without the previous consent of the Seller, to export the Contract goods to the third country.
- 9.4 All disputes which could arise at the fulfilment of the Contract obligations will be settled in a friendly way by both parties. If the dispute is not settled, the Court of Arbitration at the Economy and Agriculture Chambers of the Czech Republic in Prague will arbitrate the matter with final force according to the Rules of this Court. Both parties pledge to carry out the decree of this Court immediately.
- 9.5 The legal relations between the Buyer and the Seller ensuing from the Contract are to be interpreted according to the laws of the Czech Republic.