



BUSINESS TERMS AND CONDITIONS FOR PURCHASE OF GOODS

Plastic Parts & Technology s.r.o., with the registered office at Linhartice 127, 571 01, Company Identification No. 25971689, incorporated in the Companies Register kept by the Regional Court in Hradec Králové, Section C, Insert 18218.

These Business Terms and Conditions regulate all the legal relationships where the above mentioned commercial company participates as a Buyer, Client or Consumer of goods or services. If a Purchase Agreement or a Buyer is mentioned hereinafter, any other institutions for other types of contracts will be used adequately as if a Purchase Agreement was concerned.

1. CONCLUSION OF AGREEMENT

- 1.1. An Agreement is concluded if stipulated by law. An Agreement may be concluded also when the Buyer pays the purchase price or sends an advance payment. If there is no response to the Seller's offer or Buyer's inquiry for more than ten days, the Agreement will not be concluded.
- 1.2. The Contracting Parties have agreed that the inactivity does not mean a consent with the conclusion of an Agreement or with any possible change of the Seller's offer or Buyer's inquiry.
- 1.3. The Agreement may not be concluded if an Order is received, which contains any amendments or deviations, even if such amendments or deviations do not change significantly the conditions of an Order. In such a case the Agreement may be concluded only if this new proposal is confirmed by the Buyer and sent back to the Seller.
- 1.4. Any change, amendment or cancellation of the Agreement concluded between the Buyer and Seller (collectively hereinafter referred to as the "Contracting Parties") shall be exclusively in writing. The Amendment to an Agreement becomes effective on the day when it is signed by the Buyer and the Seller or on the day when the signed Amendment is delivered to the registered office of the other Party. This shall not apply in cases when the change is more favourable for the Buyer.
- 1.5. There is an exception to the previous rule in case the Seller, who has received the Buyer's Order, expresses its consent with the Order so that the Seller hands over the required subject of purchase (hereinafter referred to as the "Goods") to the Buyer within a stipulated period and the Buyer accepts it without any restrictions. The change is approved also if the Buyer accepts the Order by paying the changed, i.e. increased, price.
- 1.6. Any different provision included in the Agreement shall prevail over these Business Terms and Conditions (hereinafter referred to as the "Conditions").

2. DELIVERY TERMS

- 2.1. The Seller undertakes to provide the Buyer with all the tangible movable things and their parts (hereinafter referred to as the "Goods") as well as the documents related to the Goods, and enable the Buyer to acquire the property right in accordance with the Agreement and these Conditions. If necessary, with regards to the nature, the Seller is obliged to test the Goods in the Buyer's presence.
- 2.2. The documents that shall be provided together with the supply are mainly:
 - all producer declarations
 - certificate of conformity
 - warranties and representations
 - manuals
 - designs and layouts
 - licence documents
 - insurance documents
 - documents on meeting of the Buyer's consumer conditions (in case of further usage or resale of Goods).
- 2.3. The Seller shall provide the Goods
 - in quantity
 - in quality
 - in design
 - according to a sampleas agreed in the Agreement.



- 2.4. If the quality or design of Goods is not specified in the Agreement, the Seller is obliged to supply the Goods in the quality and design corresponding to the relevant technical standards, or in the quality and design corresponding to the agreed purpose or purpose for which such Goods are usually used and/or for purpose arising from the Buyer's Order, and at the same time in accordance with all the applicable legislation, technical, safety and other regulations related to the Goods.
- 2.5. The Seller is obliged to supply the Goods to the Buyer at its own expense with all the documents related to the Goods, at the time and place agreed in the Agreement. Unless stipulated otherwise in the Agreement, the delivery place shall be the Buyer's registered office and the delivery term shall be three days after the Order.
- 2.6. Unless stipulated otherwise in the Agreement, the delivery of Goods is regulated by the DDP condition – Buyer's registered office pursuant to INCOTERMS 2010.
- 2.7. If the Seller sells the Buyer the Goods directly in the Buyer's registered office, a handover certificate will be drawn up and signed by the representatives of both Parties. Otherwise, the delivery shall be confirmed in a Delivery note signed by the Buyer's representative. The signature of a handover certificate stating the fact that the Goods have been delivered without any defects is necessary for payment of the purchase price.
- 2.8. If the Seller supplies a higher quantity of Goods than stated in the Agreement, the agreement on redundant quantity will not be concluded unless the Buyer announces in writing that it accepts the redundant quantity. Otherwise, the Seller is obliged to take back the redundant quantity at its own expense.
- 2.9. Partial supplies are acceptable only in cases expressly agreed between the Parties in the Agreement.
- 2.10. The Seller is obliged to announce each supply (even partial) always in advance. Any supply shall be always marked with the Buyer's name, registered office and Agreement number, even on the outer packaging. In case one supply contains the Goods supplied within more Agreements concluded with the Seller, the Seller shall announce and invoice each supply separately unless agreed otherwise.
- 2.11. The Goods shall be packed in the manner which is suitable for the agreed type of Goods and transport to hinder from any damage during the transport to the agreed delivery place and to ensure safe manipulation with the Goods and their storage. The used packaging and fixing materials shall be returned only if agreed expressly in the Agreement. In such a case the returnable packaging shall be marked with a packaging number, owner and obvious symbol of returnable packaging otherwise the packaging shall be considered as unreturnable. All packagings shall be environmentally friendly and shall meet the statutory requirements of the applicable legislation.
- 2.12. All the costs related to the transport and delivery of Goods to the delivery place, including the costs for packaging, wrapping and securing of Goods for transport, eventually for their return, shall be borne by the Seller.
- 2.13. The Seller declares expressly that no lien or another right of the third party is attached to the Goods as of a day of concluding the Agreement and delivering the Goods to the Buyer, and that the Goods do not have any legal defects.

3. QUALITY WARRANTY, RIGHTS FROM DEFECTIVE PERFORMANCE

- 3.1. The Seller provides the Buyer with the quality warranty for supplied Goods. The warranty period shall be agreed individually in the Agreement otherwise it shall be 24 months after the proper delivery of Goods to the Buyer.
- 3.2. In case the warranty period stated in the Agreement differs from the period stated in the warranty card, the longer period shall prevail. In case the warranty period in the Agreement differs from the period stated on the packaging, the Agreement shall prevail. If the warranty period in the warranty card differs from the longer period stated on the packaging, the longer warranty period on the packaging will prevail.
- 3.3. The Buyer is entitled to announce any found quantity or obvious defects latest within 28 days after the Goods are delivered to the Buyer. The Buyer is entitled to announce other defects within a complaint period determined based on the warranty period. Any defect is announced timely if the Buyer sends the announcement on the last day of a warranty period. The manner of remedy shall be always selected by the Buyer.
- 3.4. The Buyer is obliged to announce/comment on the found defects in writing, in a letter, by fax or per email. The Buyer shall describe the found defect or state its signs and announce the Seller the chosen right from defective performance as well as the date till when the defect shall be remedied. The Buyer's chosen manner is binding for the Seller.
- 3.5. The Seller is obliged to remedy the defects within 7 days after their announcement, according to the right from defective performance chosen by the Buyer. If the Buyer chooses the remedy or the supply of new Goods without any defects, the Buyer will stipulate a reasonable performance period. Upon the delivery of



new Goods, the Buyer shall return the defective Goods according to the Seller's transport instructions and at the Seller's expense. If required by the Buyer, the Seller is obliged to send its representative without undue delay to inspect and evaluate the incurred defects.

- 3.6. In case the Seller is on default in remedy within a period stipulated by the Buyer or agreed between the Parties, the Buyer is entitled to remedy the defect on its own or via the third party at the Seller's expense which the Seller is obliged to pay to the Buyer within 30 days after the invoice is delivered. This shall apply also in cases when only the manner of remedy is announced but the remedy period is not.
- 3.7. If the defect may not be remedied or if the remedy is connected with unreasonable costs, the Buyer is entitled to withdraw from the Agreement or to choose another right from defective performance.
- 3.8. The Seller is obliged to remedy the announced defects also in case they are not recognized. The Seller is obliged to use always new and original spare parts for warranty repairs.
- 3.9. Until the defects are remedied, the Buyer is not obliged to pay such part of the purchase price (if it has not been paid yet) that corresponds reasonably to the Buyer's right to discount. This part of the purchase price shall be withheld until the defect is remedied.
- 3.10. The enforcement of a right from defective performance does not hinder the Buyer from the enforcement of a right from other legal relationships.
- 3.11. Except for the right from defective performance, the Buyer is entitled to claim a damage at the Seller, which incurred to the Buyer due to the Seller's breach of obligations, including the costs for any possible disassembly of defective Goods, new assembly or other costs related to the defective Goods. The Buyer is entitled to charge this damage and the Seller is obliged to pay it within 30 days after the invoice is delivered to the Seller.

4. PAYMENT TERMS

- 4.1. The Buyer is obliged to pay the Seller the Purchase Price stipulated in the Agreement. The Purchase Price includes all the costs related to the Goods, packaging, transport, etc. The value added tax shall be added to the Purchase Price in the statutory amount.
- 4.2. The Purchase Price shall be paid to the Seller via a credit transfer based on an original tax document – invoice (hereinafter referred to as the "Invoice"). The Invoice shall be delivered to the Buyer and shall contain mainly:
 - Buyer's Agreement Number
 - Scope (quantity) and subject matter of the Agreement, its identification
 - Contract price per quantity unit and total price in the agreed currency
 - Bank account number and bank code, to which the payment shall be sent
 - Maturity period of the Invoice; the maturity period shall start after the Invoice is delivered to the Buyer
 - Terms of a tax document pursuant to the Value Added Tax Act
 - Account number registered at the Tax Office for payments
- 4.3. The Invoice shall include an Annex – document proving the proper delivery of Goods (Delivery Note or Handover Certificate).
- 4.4. The Buyer reserves a right to return the Invoice to the Seller for correction or amendment if the Invoice does not contain the agreed or statutory features or the above mentioned Annex. In such a case the agreed maturity period shall start on the day when the corrected invoice is delivered to the Buyer.
- 4.5. The Buyer shall pay the Purchase Price via a credit transfer to the account number stated in the Seller's Invoice and shall meet the obligation to pay the Purchase Price on the day when the amount is sent from the Buyer's account to the Seller's bank account stated in the Invoice.
- 4.6. If the maturity period of a Purchase Price is not agreed expressly in the Agreement, the Buyer is obliged to pay the Purchase Price within 90 days after the proper Invoice is delivered by the Seller.
- 4.7. The Seller's claim on payment of the agreed Purchase Price shall be established upon proper meeting of the Seller's obligation to supply the Goods to the Buyer.
- 4.8. Partial payments shall not be recognized as meeting of the liability.
- 4.9. If the tax administrator decides in accordance with Section 106a of the Value Added Tax Act that the Seller is an "Unreliable tax payer", the Seller is obliged to announce this fact to the Buyer without undue delay latest within 48 hours after this decision becomes effective. The written notification shall contain mainly the effective date of the tax administrator's decision, name, bank account number and variable symbol of the relevant Tax Office. If the Seller's is recognized as an unreliable tax payer pursuant to Section 106a of the Value Added Tax Act or if the invoice contains a bank account number which was not mentioned by the Seller in the list kept by the tax administrator, the Buyer is entitled to pay VAT from the Invoice directly to the account of the relevant tax administrator, pursuant to Section 109a of the Value Added Tax Act, stipulating the special method to secure the tax.



- 4.10. The Seller is not entitled to set off unilaterally its receivables against the Buyer.
- 4.11. The Seller is entitled to charge the receivables from the Buyer with a lien in favour of the third party, or to secure the transfer of a right or security deposit, or to assign the receivables only based on a written agreement of the Parties concluded in advance, or based on a prior express written consent of the Buyer.

5. PROTECTION OF INDUSTRIAL AND INTELLECTUAL PROPERTY RIGHTS

- 5.1. All the technical documentation (drawings, technical documents, calculations, procedures, manuals, etc.) provided by the Buyer to the Seller as materials for the production of Goods (hereinafter referred to as the "Technical documentation") is an exclusive intellectual property of the Buyer. The exclusive intellectual property of the Buyer includes all technical solutions and other designs and procedures covered by the Technical documentation and marked appropriately.
- 5.2. The Seller is not entitled to disclose or make the Technical documentation available to any third party without the Buyer's express written consent, or to use it in its own favour or in favour of any third party. The Seller is entitled to use the Technical documentation only in connection with the production of Goods. This obligation shall not apply to administrative or other statutory bodies or authorities if they make the statutory control or another supervision according to the appropriate legislation.
- 5.3. If the subject of performance pursuant to the Agreement is a tangible product (hereinafter referred to as the "Tangible product"), which is protected by the industrial or other intellectual property law, the Seller will provide the Buyer with a free licence for usage of this Tangible product also for other purposes than agreed in the Agreement, based on the conclusion of an Agreement. The licence contains the Buyer's right to temporarily and territorially unlimited usage of the Tangible product and also the permission to grant a sublicense to the third party.

6. CONTRACTUAL PENALTIES

- 6.1. In case the Seller is on default in the delivery of Goods as agreed in the Agreement, the Buyer is entitled to charge and the Seller is obliged to pay a contractual penalty amounting 0,4% of the total Purchase Price (excl. VAT) for each day of delay.
- 6.2. The Buyer is entitled to ask the Seller for payment of a contractual penalty amounting 0,4% of the Purchase Price (excl. VAT) for each individual detected and announced defect, including defects in documents necessary for the usage of Goods, that is not remedied by the Seller within a period stipulated by the Buyer, and the Seller is obliged to pay this contractual penalty for each individual defect and each day of delay with the remedy.
- 6.3. If the Seller executed the documents necessary for the takeover of Goods incorrectly or incompletely, the Buyer is entitled to ask the Seller for payment of a contractual penalty amounting CZK 5.000 for each incompletely or incorrectly filled document.
- 6.4. The payment or invoicing of a contractual penalty does not affect the Buyer's right to compensation. The Buyer is entitled to lodge these claims individually regardless the application or payment of a contractual penalty by the Seller.
- 6.5. The invoiced contractual penalties and receivables for compensation are due within 30 days after the invoice or another appeal on payment is delivered to the other Party.

7. WITHDRAWAL FROM AGREEMENT

- 7.1. Either Party is entitled to withdraw from the Agreement in case the other Party breached the Agreement significantly. The withdrawal shall be in writing.
- 7.2. The Seller's significant breach shall mean mainly the breach of an obligation to deliver the Goods to the Buyer properly and timely, and default on remedy of defects on the Goods.
- 7.3. The Buyer is entitled to keep a part of Goods delivered before the withdrawal. The Buyer shall announce the kind of Goods, which he will keep, to the Seller in writing latest within five (5) days after the Seller's or Buyer's withdrawal is delivered. The Seller is entitled to a corresponding part of the Purchase Price for the Goods kept by the Buyer. The Seller undertakes to take back the remaining Goods from the Buyer at its own expense if the withdrawal was caused by the Seller.

8. FINAL PROVISIONS

- 8.1. Any legal acts between the Buyer and the Seller shall be made exclusively in writing. Any other expressions of will shall not establish any obligations for the Parties and shall not be interpreted in conflict with the provisions of the Agreement or its Amendments unless stipulated additionally by the Buyer.



- 8.2. The Seller and the Buyer declare they shall not imply any rights and obligations from the hitherto or future practice established between them, or from common traditions, or from the sector of delivered Goods, beyond the concluded Agreement and these Conditions.
- 8.3. Any disputes arising from the Agreement or in connection with it shall be settled by the Parties based on a mutual agreement. In case any dispute may not be settled by peaceful means, the general court having its subject-matter and territorial jurisdiction according to the Buyer's registered office shall settle such a first instance dispute.
- 8.4. If any provision of these Conditions or of a particular Agreement shows to be or becomes invalid or ineffective or unenforceable, the validity, effectivity and enforceability of the remaining provisions will not be affected. In such a case the Contracting Parties are obliged to conclude an Amendment on the substitution of the invalid or ineffective provision by a provision which meaning and purpose corresponds most closely to the Agreement.
- 8.5. **GBTC are effective as of 1 July 2015**