



GENERAL BUSINESS TERMS AND CONDITIONS FOR SALE 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.

Article I

Purpose of General Business Terms and Conditions

1. These General Business Terms and Conditions (hereinafter referred to as "GBTC") are executed in accordance with Section 1751 of the Act No. 89/2012 Coll., Civil Code (hereinafter referred to as the "**Civil Code**"), and define a part of the content of agreements referred to in paragraph 3 of this Article.
2. GBTC are an integral part of each agreement referred to in paragraph 3 of this Article whereas the Contracting Parties are **Plastic Parts & Technology s.r.o.** as a Contractor, Seller or Supplier (hereinafter referred to as the "Supplier") and a natural or legal person as a Client, Buyer or Consumer (hereinafter referred to as the "Consumer"). If the subject of an order is a piece of work, these GBTC will be also applied in spite of the fact another type of contract is concerned.
3. GBTC are always a part of the following agreements concluded between the Supplier and the Consumer:
 - a) purchase agreements,
 - b) contracts for work,
 - c) unnamed contracts in terms of Section 1746(2) of the Civil Code if such provisions are included which contain the necessary features of a purchase agreement or contract for work,
 - d) framework agreements based on which individual contracts under a), b) and c) of this paragraph are concluded (hereinafter referred to as the "Agreement").
4. GBTC are always binding for the Parties unless agreed otherwise between the Supplier and the Consumer in the particular Agreement. GBTC shall prevail over any possible conditions included in contractual or other documents of the Consumer.
5. Any different provisions included in the Agreement shall prevail over the wording of GBTC.
6. GBTC may be also a part of other agreements not referred to in paragraph 3 if agreed by the Parties.

Article II

Conclusion of Agreement

1. All the Agreements as well as changes therein and amendments thereto shall be in writing otherwise shall be null and void.
2. The obligations of the Parties shall be performed based on a properly concluded Agreement or based on the Consumer's proper order which shall be in a written, fax or electronic form and accepted by the Supplier.
3. In case of the Consumer's order, the Agreement shall be concluded between the Parties after the Supplier accepts it within a reasonable period, latest within 10 days after its receipt. If the Supplier changes or amends the Consumer's data in an order confirmation, such order confirmation will be considered as a new Draft Agreement.
4. The Consumer's payment of a price for the subject matter of an Agreement or the payment of an advance shall mean that the Consumer agrees with all the terms and conditions of an offer.
5. The Consumer is obliged to ensure that only a person authorized for the conclusion of an Agreement with the Supplier signs the order of goods (or confirmation) on its behalf otherwise the Consumer is responsible for any loss incurred to the Supplier.
6. The Supplier reserves a right to realize also partial supplies. The Consumer is obliged to accept such partial supplies and pay for them the price of the subject matter of an Agreement.



Article III

Performance of Subject Matter of Agreement

1. The subject matter of an Agreement shall be handed and taken over in the Supplier's registered office. The Consumer shall arrange the transport of the subject matter of an Agreement at its own expense and risk.
2. The delivery date and period are stipulated in the Agreement. If they are not stipulated, the delivery date will be determined based on the Supplier's production possibilities arising from the availability of raw materials and technical possibilities of subcontractors.
3. The handover and takeover of the subject matter of an Agreement shall be confirmed by the Consumer in a delivery note or handover certificate.
4. Any modifications of the subject matter of an Agreement and extra works shall be agreed primarily in an Amendment to the existing Agreement. The Parties have agreed that the written Agreement may be amended also via email communication by a person authorized for contractual or technical matters if the Parties agree expressly upon such a change.
5. The measurement of goods upon delivery follows the Supplier's methods. Any other methods of measurement shall be approved by the Supplier.

Article IV

Price

1. The price for the subject matter of an Agreement is stipulated in the Agreement and it is a fixed price. Unless agreed otherwise, the price shall include all certificates, packaging and insurance.
2. Unless provided otherwise in the Agreement, the prices do not include VAT.
3. The purchase/sale price shall be stipulated as of a day when the subject of purchase is handed over with regards to the production costs. The purchase price shall be adjusted in a ratio to price changes of main raw materials necessary for production of the subject of purchase. These main raw materials shall be determined with regards to common raw materials used for the production.
4. If the Czech crown ceased to be a statutory currency of the Czech Republic anytime within the operation of an Agreement and if it was finally substituted by EUR, any payments according to the Agreement would be recalculated (or calculated) as payments in EUR based on the official recalculated coefficient between CZK and EUR for the Czech Republic, stipulated obligatorily by the European Council (ECOFIN) or another competent authority. If any amount is paid in EUR and this currency ceases to exist, the calculation will follow the exchange rate of the Czech National Bank, namely the middle rate as of a previous day.

Article V

Payment Terms

1. The Consumer shall pay the Supplier the price for the subject matter of an Agreement based on the issued tax document – invoice. The Supplier is entitled to issue an invoice after the subject matter of an Agreement is handed and taken over.
2. The Supplier's invoices are due within 15 days after their issue. In case of any doubts, the invoices are due since the moment when the work is finished and the goods may be delivered.
3. In case the Parties agree upon advance payments in the Agreement and the advance payment is not paid properly and timely, the Supplier is entitled to suspend the performance of the subject matter of an Agreement until the advance is paid; the delivery term shall be prolonged by this period. In such a case the Supplier is entitled to withdraw from the Agreement.
4. In case the subject matter of an Agreement is a repeated performance and the Consumer is on default in any payment, the Supplier is entitled to suspend the performance of the subject matter of an Agreement and/or ask the Consumer for advance payments. In such a case the Supplier is entitled to withdraw from the Agreement.
5. In case the Consumer is on default in payment of the purchase price or advances, the Supplier has a right to ask the Consumer for an interest on late payment amounting 0,1 % of the amount due for each day of delay. If the Consumer is on default in payment for more than 30 days, the Supplier is entitled to withdraw from the Agreement. In such a case the Parties are obliged to return everything they have already obtained based on the Agreement.



6. In case any discount from the price of the subject matter of an Agreement has been agreed between the Supplier and the Consumer, the Consumer's right to this discount shall expire at the moment when the Consumer is on default in payment of the price for the subject matter of an Agreement.

Article VI

Transfer of Property Right and Risk of Damage on Goods

1. The property right to the subject matter of an Agreement shall be transferred to the Consumer at the moment when the total price for the subject matter of an Agreement is paid.
2. The risk of damage on the subject matter of an Agreement shall be transferred to the Consumer at the moment when the subject matter of an Agreement is taken over.

Article VII

Quality Warranty, Liability for Defects

1. The Supplier shall provide the Consumer with the quality warranty for the period of **2 years**.
2. The liability for defects is governed by the appropriate applicable legislation (mainly by Section 1914 to 1925, 2099 to 2117 and 2161 to 2174, of the Civil Code). Any possible liability for defects on the subject matter of an Agreement shall be settled based on this provision unless stipulated otherwise in GBTC or in the Agreement.
3. The Consumer is obliged to inspect the subject matter of an Agreement at the moment of its handover and takeover. The Consumer is obliged to claim any obvious defects immediately during the handover and takeover; other defects shall be claimed immediately after they are detected, latest within 24 hours after their detection.
4. The Consumer is obliged to announce the Supplier any defects in writing without undue delay after they are detected. The defects on the subject matter of an Agreement are claimed at the Supplier on the day when the Consumer's written notification on defects is delivered. The notification shall describe the defect or its signs, type of claim in terms of Section 1924 and 1925 of the Civil Code, and the information whether the Consumer will pick up the goods personally after the complaint procedure is finished or whether the goods shall be sent to the Consumer's address. The manner of remedy shall be always determined by the Supplier.
5. The Consumer is obliged to prove that its right from defective performance is legitimate, mainly that the product was obtained from the Supplier and when it was obtained. The right from defective performance shall be considered as properly applied if the goods are complete and accompanied by the necessary documents. In case the defective goods are claimed, the Consumer is obliged to hand over the complete goods in a suitable packaging which meets the transport requirements on the delivered goods – in the original packaging, if possible. The Supplier is not obliged to accept the goods for a complaint procedure if the goods are not packed properly and handed over with the supplied accessories and equipment. The claimed goods will be accepted for a complaint procedure if the goods are properly cleaned, dried and if the general hygienic principles do not hinder from the assessment of a complaint.
6. If the Consumer sends the goods for a complaint procedure via a provider of mail services, the Consumer is obliged to mark the consignment containing the defective goods and the above mentioned documents with the text "COMPLAINT", and to state sufficient and correct contact data, mainly the delivery address and phone number.
7. The Consumer may not withdraw from the Agreement or ask for the supply of a new product if the Consumer may not return the original product in a condition in which it was received. This shall not apply if the condition has been changed due to the inspection in order to detect defects, if the Consumer had used the product before the defect was detected, if the Consumer did not cause the impossibility to return the product in an unchanged condition by its activity or failure, if the Consumer had sold the product before the defect was detected, if the Consumer consumed the product or changed it by common usage; if any of the situations incurred only partially, the Consumer will return the Supplier the parts which may be returned and will provide



the Supplier with compensation up to the amount corresponding to the profit from usage of such a product.

8. The Supplier is not liable for defects, to which the quality warranty is applied, if these defects were caused after the transfer of a risk of damage to the Consumer by external forces and not by the Supplier. The Supplier is not liable for defects if the subject matter of an Agreement is not maintained sufficiently or properly or if it is used inappropriately. The Supplier's liability for defects shall not be applied to parts (of the entire work) that were supplied from another supplier and have different parameters than the remaining parts of the work /hot systems/, and the liability shall be governed by the conditions of a supplier of such parts. The Supplier reserves a right to adjust the scope of warranty for specific parts of moulds.
9. The Consumer does not have any right from defective performance if the Consumer had been aware of the defect before the product was taken over or if the defect was caused by the Consumer itself.
10. Any possible warranty service and maintenance shall be performed in the Czech Republic. Otherwise, all the transport costs shall be paid by the Consumer.
11. The damage from each individual Agreement shall be paid up to the amount corresponding to the price for the subject matter of an Agreement only after the price is paid properly. It is not possible to pay the compensation to the third parties.

Article VIII

Other Rights and Obligations of Contracting Parties

1. The Consumer is entitled to the presentation of goods and their functions and to check the goods only if it is agreed by the Parties.
2. The Consumer is not entitled to transfer its rights and obligations arising from the Agreement and from these GBTC to the third party without the Supplier's prior written consent. The Supplier is entitled to entrust the third party with the provision of a part of services. Nevertheless, the Supplier shall be liable to the Consumer within the same scope as if the services were provided by the Supplier itself.
3. The Consumer acknowledges that the Supplier is not liable for defects and damages incurred due to any modification made by the third parties.
4. In case the Consumer is on default in payment of the price for the subject matter of an Agreement, the Supplier is entitled to enter the Consumer's business premises/registered office to take the goods back from the Consumer.

Article IX

Force Majeure

The unusual circumstances (mainly war, riots or civil commotion, fire or natural disaster, strike) which hinder temporarily or permanently from the performance of contractual obligations, which incur after the Agreement becomes effective, and which could have not been assumed or averted by the Parties, shall be considered by the Parties as force majeure events. The Party which is disabled to perform the obligations shall inform the other Party immediately of such circumstances and shall document them or prove the fact that these circumstances have a substantial effect on the performance of contractual obligations. Subsequently, the Parties shall agree upon a change or premature termination of the Agreement without any penalties.

Article X

Confidentiality

1. The Parties are obliged to keep confidentiality about all information concerning the Agreement and facts found out in connection with the Agreement, mainly all the facts forming business secrets of the Parties. These facts may not be announced or made available to the third party without a prior written consent of the Party which business secret is concerned.
2. The Subject of the Supplier's business secret is mainly:
 - Price offer and all the information implying the business strategy and policy,



- Technical, production and other facts, all facts constituting the Supplier's intellectual property, mainly its know-how.

Article XI Delivery of Documents

1. Any documents, letters or proposals shall be considered as delivered to the other Party on the day when they are delivered by fax, email or personally. If such documents are delivered by mail services as registered letters to the address mentioned in the Agreement, order or order confirmation, they will be considered as delivered on the third day after their posting.
2. The following may be considered as a receipt of delivery:
 - a) for delivery by fax – fax message on successful delivery to the relevant fax number mentioned in the Agreement, order or order confirmation.
 - b) for delivery by email – confirmation of delivery to the relevant email address mentioned in the Agreement, order or order confirmation.
 - c) for personal delivery – written confirmation on receipt.
 - d) for paper delivery – postal receipt proving posting of papers.
3. The manner of delivery and packaging of goods shall be determined by the Supplier unless provided otherwise in the Agreement. The goods are generally sent to the address mentioned in the order. Any special requirements on packaging shall be announced by the Consumer sufficiently in advance. In case the transport and packaging method is agreed based on the Consumer's requirements, the Consumer shall bear the risk and any possible additional costs related to such transport and packaging method, and the effects of delivering the product to the Consumer shall incur upon its handover to the first carrier. The Supplier reserves a right to determine the transport method in case the Consumer's method is obviously unsuitable.
4. In case it is necessary to deliver the goods repeatedly or in another manner than specified in the order or than agreed, due to reasons on the Consumer's side, the Consumer is obliged to pay the costs related to the repeated delivery of goods, respectively the costs related to another delivery method.

Article XII Miscellaneous

1. GBTC as well as all Agreements concluded between the Supplier and the Consumer shall be governed by the legal system of the Czech Republic, mainly by the Civil Code.
2. Any possible disputes arising from the Agreement shall be settled by a court having its territorial jurisdiction according to the Supplier's registered office.
3. If any provision of the Agreement or of GBTC is or becomes invalid or ineffective, the remaining provisions will not be affected. The Parties undertake to substitute the invalid and/or ineffective provision by a new provision which meaning corresponds most closely to the original one.
4. If the relationship connected with the Agreement or established by the Agreement contains an international (foreign) element, the Parties agree that it shall be governed by the Czech legislation. In case of any disputes between the Parties, the Czech courts shall have the territorial jurisdiction according to the valid and effective legislation.
5. **GBTC are effective as of 1 July 2015**

In Linhartice, dated 1 July 2015

Plastic Parts & Technology s.r.o.