

GENERAL SELLING TERMS AND CONDITIONS

1. General Provisions

- 1.1 Below specified trade terms apply to this business deal, unless otherwise agreed. Any and all alterations to these terms or their amendments become legally effective only on the basis of a prior written agreement between the partners. This Contract supersedes all previous agreements incl. correspondence relating to the content of the contract.
- 1.2 The Sale Contract shall be effective as of the date of the receipt by the Supplier of a confirmed copy of the Contract. If the Buyer makes no comments on the Contract within 2 weeks from sending him the said document, the Sale Contract shall be deemed null and void.
- 1.3 The Buyer shall be obligated to provide in time the Supplier with the necessary instructions so that the consignment may be dealt with within the specified time. If the Buyer fails to fulfil this obligation, he will be held responsible for all and any resulting damages and the Supplier shall have the right to withdraw from the Contract if the Buyer does not send in the necessary instructions within 15 days at the latest from being asked to do so by the Supplier.

2. Prices

- 2.1 The condition for realizing the Contract is an agreement on prices. Unless otherwise stipulated in the Contract, prices are to be understood supplier prices EXW Incoterms 2010, CEBES a.s., Brumov-Bylnice, without package, transport costs, tariffs and other duties. Customs and other charges due to the country of the Supplier shall be paid by the same and customs and other charges required outside the territory of the Supplier's country shall be covered by the Buyer.

3. Deliveries

- 3.1 Unless otherwise agreed, the Supplier shall select the mode of transport according to EXW Incoterms 2010.
- 3.2 The place of fulfilment of contractual deliveries from the Supplier shall be CEBES a.s., Brumov-Bylnice.
- 3.3 In the event of non-delivery of the goods by the Supplier within the specified time, the Buyer shall give the Supplier a reasonably long period of time so that the latter might effect delivery. If the Supplier fails to deliver the goods within the said reasonably long period of time, the Buyer shall have the right to withdraw from the Contract.

4. Payments

- 4.1 Non-payment of the stipulated purchase price within the agreed on time of maturity shall be deemed a material breach of the Contract.
- 4.2 Payment shall be deemed effected after the paid amount outstanding will be credited in full to the Supplier's account by his bank and made freely available for the Supplier to use it.
- 4.3 Unless otherwise provided in the Sale Contract, the invoices will be due within 30 days.
- 4.4 In the event that the Buyer makes default in payment, the Supplier shall be entitled, without the obligation of prior sending a demand note, to claim late charges for the period from the due date to the date of effecting a payment factually in size of:
 - a) 0,1% of the amount outstanding for each calendar day with default **not exceeding 30 days**;
 - b) 0,3% of the amount outstanding for each calendar day with default **exceeding 31 days**.

5. Reservation of the Right of Possession

- 5.1 The Buyer acquires ownership right to delivered goods by payment.
5.2 The risks are transferred to the Buyer as soon as the consignment (the goods and the package) leaves the Supplier's premises.

6. Taking Delivery of the Goods and Guarantee Period

- 6.1 Any shortcomings revealed upon receipt of the goods as well as those connected with the quantity should be brought to the Supplier's notice forthwith by registered mail, within 8 days of receipt of the goods at the latest.
6.2 Any claim has to be substantiated with appropriate documents illustrating justifiability of a claim.
6.3 The guarantee period shall last for 12 months from the transfer of risks, unless otherwise provided in the Contract.
6.4 The warranty covers compliance with product's dimensions, materials used, mechanical and electrical parameters according to the documentation (e.g. approval drawings, acceptance catalog etc.).
6.5 The warranty does not cover damage or defects resulting from:
 - assembly or installation of the Product in a manner inconsistent with technical or safety standards in force in the country where it is used or
 - misuse including failure to use or operate the Product for its normal purpose e.g. but not limited to exceeding temperature or electrical parameters, improper maintenance or
 - misuse including failure to use or operate the Product arising from using incorrect or used components not guaranteeing compatibility during operation.
6.6 In case the complaint is warrantable the Seller can either the failures correct in defined time or carry out replacement delivery according to previous conditions, eventually to give adequate reduction.
6.7 Buyer has not any rights to withdraw the Agreement unless Seller violates the Agreement in serious manner i.e. the Seller either corrected failures or does not carry out facultative compensation. There are no any claims for Buyer regarding the additional demand.

7. Final Provisions

- 7.1 All relations arising in connection with this Contract, as well as on related relationships including questions concerning its validity, eventually consequences of its invalidity, shall be governed by and interpreted in accordance with the laws of the Czech Republic. If a dispute relating to these relations will be not settled in an amicable way, this shall be settled by Rules of Conciliation and Arbitration of Czech Chamber of Commerce and Agricultural Chamber of Czech Republic in accordance with their Code and Rules by three arbiters.
7.2 These General Selling Terms shall be effective as of the date of the last signature at the end of this Sale Contract and are made for an indefinite period of time.

Brumov-Bylnice 31.10.2013