



GENERAL TERMS AND CONDITIONS OF BUSINESS OF CONTEG, SPOL. S R.O.

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CONDITIONS OF PURCHASE

1. Introductory Provisions

These general terms and conditions of business are published by the company Conteg, spol. s r.o. with its registered office at Praha 4, Na Vítězné pláni 1719/4, P.C. 140 00, ID No.: 257 01 843, registered in the Commercial Register maintained by the Municipal Court in Prague, Section C, Rider 62502 (hereinafter referred to as the “Terms and Conditions”).

- 1.1. For the purpose of this Terms and Conditions, the company Conteg, spol. s r.o. is hereinafter referred to as the “Buyer” and its business partner as the “Seller”.
- 1.2. These Terms and Conditions govern business transactions that shall be further specified by the Buyer:
 - a) in the purchase contract
 - b) in the confirmation of order, if the purchase contract is not signed (made in writing) (hereinafter collectively as the “Contract”)

and form an integral part of the Contract. Any provisions expressly defined in the Contract which are additional or contradictory shall prevail over such provisions of the Terms and Conditions which are inconsistent hereto. General terms and conditions of the business and delivery published by the Seller, especially his terms of sale, do not form a part of the Contract.

2. Conclusion of Contract and scope of delivery

- 2.1. The Contract shall be deemed as concluded as of the moment of signing of the purchase contract by the contracting parties or, in case the purchase contract is not signed, as of the moment of delivery of written receipt of acceptance of the order from the Seller.
- 2.2. Final, complete and binding description of the goods and services delivered from the side of the Seller shall be specified in the Contract and its annexes, including respective additional clauses.

3. Purchase price, payment conditions, reservation of title



- 3.1. The Buyer shall be obliged to pay for the goods and services to the Seller the purchase price as agreed and specified in the Contract.
- 3.2. Unless stated otherwise in the Contract, the purchase price shall be payable within 90 days as of the delivery of an invoice to the Buyer's registered office address as it is recorded in the Commercial Register. The Seller shall be entitled to issue the invoice for the subject-matter of the purchase to the Buyer at first together with the handover of such perfect subject-matter of the purchase to the Buyer and its assumption by the Buyer from the Seller. Handover and the acceptance of the subject-matter of the purchase shall be marked in the delivery note signed by the Seller and the Buyer, the copy of which shall the Buyer keep with him. In case that the invoice issued by the Seller does not meet the requirements of a proper tax document, the Buyer shall be entitled to return such invoice to the Seller. In such case, the deadline for the payment of the purchase price starts running as of the delivery of the proper invoice complying with the Contract and the respective provisions of law to the Buyer.
- 3.3. The Seller shall not be entitled to unilaterally increase the purchase price after the conclusion of the Contract.

4. Delivery terms, transfer of risks, passage of ownership right

- 4.1. The Seller shall be obliged to deliver the goods to the Buyer in accordance with the time and place specified in the Contract. The delivery time and place shall be specified in the Contract at any case. The delivery day shall be deemed to be the day of the acceptance of the goods by the Buyer. The acceptance of the goods by the Buyer shall be marked in the delivery note.
- 4.2. The contracting parties agree that the Buyer shall be entitled to 21 days period as of the acceptance of the goods for the purpose of its inspection while all defects identified by the Buyer within this period shall be deemed as existing already at the time of the transfer of danger of damage to goods and the Buyer shall be in case of such damages entitled to claim its rights according to provision no. 7 paragraph 7.5 of these Terms and Conditions.
- 4.3. The goods delivered shall be in compliance either with the agreed, technical and also legal requirements for such goods.
- 4.4. The goods shall be handed-over to the Seller appropriately packaged at the Seller's expenses, and in a manner to be protected enough from damage. The Buyer shall be entitled to require that the Seller packed the goods specifically corresponding to the nature of such goods, method of its transportation and storage. The Buyer shall be obliged to timely, in advance and in writing notify such requirement to the Seller. The Buyer shall not be obliged to return the packaging back to the Seller. In case the



Seller and the Buyer agree to return the packaging, such return shall be executed at the expenses and risk of the Seller.

- 4.5. The delivery shall contain all marking of the goods and documents relating to the goods, especially documents necessary for the acceptance and use of the goods, acquisition of ownership right to goods, all necessary certifications, attests and certificates etc., and also by law required documents and markings relating to the goods. The difference between the amount of the goods as stipulated in the Contract and the amount actually delivered shall not exceed 5 %, and shall be subject of the prior written consent of the Buyer. The Seller shall be entitled to the payment of the purchase price for the goods actually delivered.
- 4.6. In case of delivery of the goods that, with regard to its quality or quantity, evidently fails to meet the specification agreed in the Contract, the Buyer hereby reserves his right not to accept such goods.
- 4.7. The delivery note shall be delivered to the Buyer together with the delivery. The delivery note shall include at least the business name, identification number and registered office or place of business of the Seller, detailed marking of the goods including its amount, delivery date, purchase price, place of delivery and accurate identification of the Buyer. In case of failure to meet these requirements, the Buyer reserves his right not to accept the goods.
- 4.8. Unless expressly agreed otherwise in writing, partial deliveries are not allowed.
- 4.9. In case of a delay of the Seller with the delivery, the Buyer shall be entitled to require contractual penalty of 0.05 % of the purchase price for each day of such delay. The claim for damages shall not be affected thereby. In case of a delay of the Seller with the delivery, the Buyer shall be further entitled to withdraw from the Contract after the written notice to perform, by which the Buyer granted the Seller additional reasonable time and announced the possible consequences of failing to fulfil the notice. The Buyer shall be entitled to return to the Seller at the Seller's expenses already delivered goods in case of withdrawal from the Contract.

5. Transfer of risk of damage

- 5.1. The risk of damage and ownership right to the goods are transferred to the Buyer as of the moment of the proper hand-over of the goods to the Buyer confirmed in the delivery note.

6. Dispatch, transport and insurance

- 6.1. Transport of the goods shall be ensured and executed to the Seller's account and risk, unless before agreed otherwise in writing between the contracting parties.

6.2. The Seller shall be obliged to negotiate the insurance of the goods covering all ordinary risks that shall occur with relation to the transportation.

7. Warranty, liability for defects

7.1. The Seller shall be responsible that the goods is delivered in compliance with the quantity, quality and other requirements under the Contract.

7.2. The Seller grants to the Buyer a quality warranty of 60 months as of the acceptance and receipt of perfect goods by the Buyer, unless longer period is granted by law regarding the nature of the goods or unless its manufacturer grants longer period. In this case the Seller shall grant such longer period to the Buyer.

7.3. The warranty period applicable to the electronic products (such as for example power panels, cooling units, fans, thermostats, electronic extinguishing systems, monitoring systems, etc.) shall start running as of the day of its installation.

7.4. The defects of the goods shall be deemed to be duly claimed at the moment of the delivery of the notice from the Buyer to the Seller's registered office address or place of performance of the business as recorded in the public register.

7.5. In case of a warranty claim the Buyer shall be entitled to (at its own discretion), either:

- a) claim to have the defects of the goods eliminated by repair thereof, if possible with respect to the nature of the goods and the defects;
- b) claim delivery of new replacement for the goods that are defective or missing;
- c) claim a reasonable discount on the purchase price;
- d) withdraw from the Contract and claim repayment of the purchase price against the goods being returned.

7.6. The Buyer shall be entitled to claim the defects of the goods according to the provision 7.3. of these Terms and Conditions without any consent of the Seller. The Buyer shall determine a reasonable period for the elimination of defects of the goods and delivery of new or missing goods. In case that the Seller fails to eliminate the defects of the goods or to deliver new or missing goods within the determined period, the Buyer shall be entitled to claim discount on the purchase price or withdraw from the Contract.

7.7. In case of the settlement of the warranty claim according to the provision no. 7 paragraph 7.4. point a) or b) of these Terms and Conditions, the warranty period starts again in its full length running as of the day of the delivery of the fixed goods, or its replacement, by the Seller.

7.8. The Seller shall be obliged to pay to the Buyer a compensation for damages incurring in connection with the delivery of the goods resulting from breach of the Seller's obligations under the Contract and under law. The Seller shall be further obliged to compensate to the Buyer the damages claimed by the third persons in connection with the delivered goods resulting from the breach of contractual and lawful obligations from the side of the Seller. Liability for damages under this provision shall not expire at the moment of the termination of the contractual relationship between the Seller and the Buyer.

8. Maintaining confidentiality

8.1. The Seller shall be obliged to unconditionally maintain confidentiality regarding all information which have been disclosed to him in relation with business cooperation (especially in relation with the deliveries of the goods) with the Buyer and which shall be, with regard to the circumstances, deemed as subject to a business or company's secret and which shall be maintained as confidential, excluding information already known from public sources.

9. Choice of ruling law, dispute resolution

9.1. Unless stated otherwise in particular provisions of these Terms and Conditions or unless otherwise resulting from the applicable law, the legal relationships of the contracting parties shall be governed by the Act No. 513/1991 Coll., Commercial Code, as subsequently amended.

9.2. The Seller and the Buyer hereby undertake to solve all disputes that can arise between the contracting parties especially by the way of out-of-court settlement.

9.3. In case the agreement is not reached, the Buyer shall be entitled to assert his rights before the courts which have the relevant territorial jurisdiction according to the location of the registered office as recorded in the Commercial register.

10. Final provisions

10.1. Should one or more provisions of the Contract or these Terms and Conditions become either completely or partially invalid or unlawful, this fact has no affect on the validity or legality of the other provisions of the Contract or these Terms and Conditions. The contracting parties shall replace the invalid or unlawful provisions with the valid and lawful provisions which are, from its purpose the most approaching to those that are being replaced.



- 10.2. Any preceding agreements and correspondence between the parties, insofar not included in the Contract or in these terms and Conditions loose its validity and legal bindingness.
- 10.3. These Terms and Conditions are valid from 1st March 2012, while the Terms and Conditions for the contracting parties are at any time valid in the version being published on the websites of the Buyer (www.conteg.com) on the day of the conclusion of the Contract.