

General Conditions of Sale and Delivery

I. General provisions

1. These General conditions of sale and delivery, hereinafter referred to as Conditions, apply to the full of their extent unless agreed otherwise by the Seller and Buyer in the Sale contract.
2. Amendments and supplements to the Conditions and to the Sale contract shall be only valid if agreed on by the Partners in written.
3. No agreements, verbal or written, concluded between Partners prior to the signature of the Sale contract, shall be binding on them unless they agree with the Conditions or unless they are included in the Sale contract.
4. If the Buyer fails to fulfil any of his commitments, the Seller shall be authorized, without setting a supplementary date, either to persist on the fulfilment or to withdraw from the Sale contract and to sell the goods to another buyer.
5. If no special conditions have been agreed in the Sale contract, the Seller shall be obliged to supply the goods in the version suitable for the intended use.
6. The Buyer shall not be authorized to transfer to third parties the rights and commitments resulting from the concluded Sale contract without the consent of the Seller.
7. The received orders shall be binding on the Seller only to the extent confirmed by him in written.

II. Packing

1. The goods shall be delivered in a packing suitable for the kind of goods and of transport so as to avoid damages to the goods during the transport to their destination. The packing shall be specified in the Sale contract.

III. Price

1. Agreement on price shall be considered a substantial prerequisite of the Sale contract and of its validity. The topical price is set in the Seller's offer.
2. Unless stated otherwise in the Sale contract, the purchase price is to be understood EX WORKS, Incoterms 2010, with basic packing in cardboard/plastic material, without transport and without insurance. Not included in the price are any customs charges, taxes and other duties paid outside the territory of the Czech Republic.

IV. Delivery

1. Unless stated otherwise in the Sale contract, the delivery date stated in the Sale contract applies. The delivery is fulfilled on the day on which the goods have left the Seller's warehouse for the transport.
2. If the Sale contract provides that the transport shall be provided for by the Buyer, the Seller will fulfil his duty to supply the goods according to the Sale contract by putting the goods, properly marked as Buyer's goods, at the Buyer's disposal in the Seller's warehouse, and by informing the Buyer about this.
3. The delivery term, as agreed on for each case, begins on the day of the Sale contract conclusion, unless stated otherwise in the Sale contract. This provision does not apply as long as not all technical and business conditions have been concluded between the Partners or if the Buyer fails to hand over the agreed documents. In such case, the delivery term is postponed by the period in question and its run begins only after all the conditions have been fulfilled.

4. If the Sale contract provides for payment beforehand the Seller shall be authorized to modify the delivery term depending on the fulfilment of this payment condition by the Buyer.

5. The Seller is authorized to supply the goods in part deliveries, or also before the agreed delivery term.

V. Payment

1. The payment is deemed carried out when the amount due has been to the full of its extent transferred to the bank account of the Seller at his free disposal.

2. Without Seller's written consent, the Buyer shall not be authorized to set off against the amount resulting from the Sale contract his claims of any kind against the Seller.

3. If the Buyer is in default with the payment of the amount due, the Seller shall be authorized, without sending a reminder, to charge default interests for each overdue day at a rate of 2% above the valid reference rate of the European central bank.

4. If the Buyer is in default with the payment of the amount due, the Seller shall be authorized, without by this violating or cancelling the Sale contract, to suspend all the other deliveries resulting from the Sale contracts.

5. The Buyer is obliged to fulfil his financial commitments through the bank named by the Seller.

VI. Reservation of proprietary rights

1. The goods supplied as the object of the Sale contract remain the Seller's property until the Buyer fulfils all his commitments to the Seller, in particular until the purchase price has been paid to the full of its amount.

VII. Vis major

1. If events unforeseeable at the time of the contract conclusion and creating impediment to the fulfilment of the contractual obligations by the Seller occur the Seller shall be authorized to postpone the fulfilment by the period for which the impediment exists.

2. Vis major consists in circumstances inevitable by the Seller with due care that may be demanded from him such as war, insurrection, riots, strikes, accidents such as fire, flood etc., as well as political, commercial and monetary measures or other official provisions having the character of vis major preventing the Seller from fulfilling his contractual commitments. In such cases, the Seller shall be free to withdraw from the contract without being bound to give a substitute performance.

3. The Buyer shall be authorized to require from the Seller a statement as to whether the Seller withdraws from the contract or whether he will fulfil it at a reasonable additional date. If the Seller fails to give such statement the Buyer shall be authorized to withdraw from the contract.

VIII. Warranty

1. This section defines the extent to which the Seller warrants the goods or the limit of his responsibility in case of all irregularities in the delivery, production, assembly of goods, maintenance and in the fulfilment of other contractual commitments.

2. The Seller shall not be bound by this warranty with respect to goods that have been incorrectly used, maintained or stored, subject to rough or non-standard treatment or with respect to damages due to normal deterioration. Besides, the Seller is not responsible for the material received from the Buyer.

3. Claims of Buyer based on quality defects of the goods expire unless presented in writing to the Seller without undue delay as from the date on which the goods have come to hand of the Buyer. The

warranty time-limit is 12 months; in overseas transport, it can be extended in way of agreement to be concluded individually in view of long periods of conveyance. Term of guarantee is not related to common worn out goods.

4. In mutual agreement, the Seller will replace defective goods or part thereof or will grant adequate reduction on price. At Seller's request, the Buyer shall return, postage paid, the defective goods or part thereof. If the Seller decides to repair or exchange defective goods, he shall bear the costs of the repair or exchange, the transport costs as well as the costs of assembly and disassembly.

5. No further warranty is expressed or involved and the Seller has in terms of this warranty no commitment or obligation going beyond the stipulations set forth in these Conditions.

IX. Documentation

1. The Seller is the holder of all industrial property, including the copyright to expense budgets, drawings, and other documents that may have been transferred to the Buyer. These documents must be neither used to any end beyond the scope of the concluded contract of sale nor in any case whatever placed at the disposal of third parties.

X. Concluding provisions

1. The place of fulfilment of the contractual supplies is the delivery place of the Seller.

2. Any dispute arising between the parties in connection with the fulfilment of their contractual obligations shall be settled in amicable way.

All disputes arising from the present contract and in connection with it shall be finally decided with the Arbitration Court attached to the Economic Chamber of the Czech Republic and Agricultural Chamber of the Czech Republic by one arbitrator in accordance with the Rules of that Arbitration Court.

The parties undertake to submit to the award of said Tribunal of arbitration.

3. The goods supplies carried on the basis of the contract of sale and the construction of the commercial clauses applied in it are governed by the international rules INCOTERMS 2000.

4. Legal relations between the Seller and Buyer resulting from the contract and in connection with it are governed by the Czech legal order.