

These Commercial Terms and Conditions (hereinafter referred to as the “**CTC**”) define the relationship between Obchodní společnost KREDIT, spol. s r.o., as the supplier (hereinafter referred to as the “**Company**”), and the buyer (hereinafter referred to as the “**Customer**”, with the Company and the Customer hereinafter referred to individually as the “**Party**” or jointly as “**Parties**”), arising from a contract or an agreement for the supply of goods, work or services (hereinafter referred to as the “**Subject-matter of Agreement**”) or other similar arrangement between the Company and the Customer (hereinafter referred to as the “**Agreement**”). Unless agreed otherwise in the Agreement, the relationship between the Parties shall be governed by the provisions of Section 2079 an., or Section 2586 an., or by other relevant provisions of Act No. 89/2012 Coll., the Civil Code (hereinafter also referred to as the “**CC**”), depending on whether the Agreement is, in nature, a purchase contract, a contract for work or other contractual type. In the event that any part of the relationship between the Parties is not covered by the Agreement or by these CTC, such relationship or such part thereof shall be governed by the provisions of the relevant law of the Czech legal system, in particular CC. The Customer recognizes that these CTC are binding and applicable to any and all performance to be carried out under the Agreement.

1. EXISTENCE OF AGREEMENT

- 1.1 An agreement shall be understood to include in particular, without limitation, a purchase contract, contract for work or contract for services, under which the Company supplies the Subject-matter of Agreement to the Customer, and the Customer is obliged to pay the agreed consideration to the Company in return.
- 1.2 The Agreement shall come into existence upon (i) confirmation of the Customer’s purchase order by the Company, (ii) conclusion of a written or oral agreement, or (iii) unconditional acceptance, by the Customer, of an offer made by the Company. The Parties exclude conclusion of an Agreement by actual conduct. The Parties explicitly state that conclusion of an Agreement in writing can also take place in the form of e-mail communication between the Parties without an advanced or otherwise qualified electronic signature, provided that persons duly authorized under the Agreement or under CC act on behalf of the Parties.
- 1.3 Any modifications or amendments to a written Agreement can only be made in writing based on mutual agreement of the Parties. The Parties explicitly state that, for the purposes of an Agreement, a notice in writing may also take the form of e-mail communication between the Parties without an advanced or otherwise qualified electronic signature, provided that persons duly authorized under the Agreement or under CC act on behalf of the Parties.
- 1.4 As of the date when the Agreement comes into existence, any and all conditions and circumstances agreed or addressed between the Parties before the existence of the Agreement shall cease to apply, except for CTC and the conditions and circumstances agreed in the Agreement.

2. DUTIES OF THE PARTIES

- 2.1 The Company is obliged to supply to the Customer the Subject-matter of Agreement in consistence with the terms and conditions agreed in the Agreement, in particular in the

agreed quality, quantity and design, and to assign the ownership to the Subject-matter of Agreement to the Customer.

- 2.2 The Company is obliged to pack the Subject-matter of Agreement in such a manner so as to ensure the usual sufficient protection against deterioration thereof. Packaging other than the usual packaging can be agreed in the Agreement.
- 2.3 The Company declares that the Subject-matter of Agreement complies with all relevant statutory provisions.
- 2.4 The Customer is obliged to accept the Subject-matter of Agreement even if it shows minor defects.
- 2.5 Partial deliveries are permitted and can also be invoiced separately by the Company.
- 2.6 The Customer is obliged to accept the Subject-matter of Agreement and pay the purchase price for the Subject-matter of Agreement (hereinafter referred to as the “**Purchase Price**”) in the manner and periods agreed in the Agreement. For the purposes of these CTC and the Agreement, the Purchase Price shall be understood to include also the price for the work, if the Agreement is, in its nature, a contract for work, or any other consideration agreed by the Parties in case of another type of contract.
- 2.7 The Parties are obliged to inform each other, without undue delay, about all circumstances that can affect proper and timely performance of the Agreement.

3. PAYMENT TERMS AND CONDITIONS

- 3.1 The payment shall be considered to have been made without fault, if it is credited to the Company’s account in the period agreed in the Agreement.
- 3.2 The Customer shall not be entitled to offset any claim owed by the Company against the Company’s claim for the payment of the Purchase Price.
- 3.3 If the possibility of partial performance by the Customer was agreed in the form of Purchase Price instalments, the Company shall be entitled to make the full Purchase Price due and payable upon a failure to comply with the maturity period of any instalment of a part of the Purchase Price, by sending a written notice to the Customer at any time during the Customer’s delay with the payment of an instalment or even any part thereof. The Purchase Price instalments shall be understood to include also agreed partial payments for the Purchase Price, e.g. an advance payment followed by the payment of the remaining part of the Purchase Price upon the delivery of the Subject-matter of Agreement.
- 3.4 The Company shall charge the Customer for the Purchase Price through an invoice, which must include all particulars required for a tax document under the relevant law.
- 3.5 The Company shall become entitled to the payment of the Purchase Price on the date when the Subject-matter of Agreement was handed over to (i) the Customer, (ii) a third party specified by the Customer or upon agreement between the Parties, or (iii) the first carrier if the Subject-matter of Agreement is transported through a carrier other than the Company. On that day, the Company shall be entitled to issue a tax document.

- 3.6 The maturity period for the Purchase Price agreed by the Parties shall be 14 days from the date of delivery of the tax document. The Parties agreed that the Company is entitled to send the tax documents electronically (by e-mail).
- 3.7 A failure to pay the Purchase Price or a part thereof within 10 days after the maturity date shall constitute a fundamental breach of the Agreement and shall give rise to the Company's right to withdraw from the Agreement. The withdrawal from the Agreement shall be effective upon the delivery of the withdrawal notice to the Customer. If the Company withdraws from the Agreement for such a reason, the Customer shall be obliged to return the Subject-matter of Agreement to the Company. At the same time, the Company shall be entitled to a one-time contractual fine of [20%] of the Purchase Price for the Customer's delay with the payment of the Purchase Price. If gradual payment of the Purchase Price is agreed in the Agreement, the right to the contractual fine pursuant to the previous sentence shall arise on a one-time basis at the first day of the delay with the payment of the relevant part of the Purchase Price. The Customer is obliged to pay the contractual fine within [10 days] after the delivery of written demand for payment to the Customer (hereinafter referred to as the "**Demand**"). This shall be without prejudice to the Company's right to compensation.

4. PURCHASE PRICE

- 4.1 Unless agreed otherwise in the Agreement, the Purchase Price is indicated exclusive of VAT at the statutory rate.
- 4.2 The Purchase Price shall include the costs of packaging and labelling of the Subject-matter of Agreement. If a packaging other than the usual packaging of the Subject-matter of Agreement or a special surface treatment thereof is required by the Customer, the specification of such requirement must be agreed in the Agreement.
- 4.3 The Customer shall bear any and all expenses and fees that may arise in connection with the delivery of the Subject-matter of Agreement outside of the territory of the Czech Republic, such as customs, taxes, import charges, etc.

5. RESERVATION OF OWNERSHIP

- 5.1 The Subject-matter of Agreement shall remain in the Company's ownership until the Purchase Price has been paid in full. Throughout the reservation of ownership, the Customer shall be held liable, in particular and without limitation, for any damage to the Subject-matter of Agreement, risk of theft, costs related to storage, insurance, risk of damage cause to third parties, and any other costs and risks associated with the Subject-matter of Agreement.
- 5.2 When processing or treating the Subject-matter of Agreement, which is covered by the reservation of ownership under the Agreement or CTC, the processed or treated Subject-matter of Agreement shall remain in the Company's ownership. This shall be without prejudice to the Company's right to compensation.
- 5.3 Throughout the reservation of ownership by the Company, the Customer shall not be entitled to dispose of, pledge or otherwise encumber in favour of any third party the Subject-matter of Agreement or any part thereof, without a prior written consent of the Company.

- 5.4 The Customer shall notify the Company without delay of any violation and damage to the Subject-matter of Agreement, as well as of any execution or other similar measures against the Subject-matter of Agreement covered by reservation of ownership, and send to the Company copies of execution or other similar orders and the relevant protocols and related information and documentation. In addition, the Customer must take all measures to prevent or suspend the execution.
- 5.5 Claiming the reservation of ownership, as well as return, withdrawal or confiscation of the Subject-matter of Agreement by the Company or a third party, without further notice, shall not constitute the Company's withdrawal from the Agreement.

6. SUPPLY OF THE SUBJECT-MATTER OF AGREEMENT

- 6.1 Unless the delivery date of the Subject-matter of Agreement is explicitly agreed by the Parties in the Agreement, the Company shall be entitled to determine the date. The Company shall do so within 30 days after the Agreement has been concluded.
- 6.2 The Company shall meet its obligation to hand over the Subject-matter of Agreement to the Customer by (i) handing over the Subject-matter of Agreement to the Customer or the first carrier designated to transport the Subject-matter of Agreement to the Customer or by (ii) signing, by both Parties, the acceptance protocol upon the handover of the Subject-matter of Agreement. The Customer shall not be entitled to refuse to sign the acceptance protocol without due reasons and shall be obliged to accept the Subject-matter of Agreement even if it shows minor defects. The date when the Customer refuses to sign the acceptance protocol without due reasons or the first day of the Customer's delay with the acceptance of the Subject-matter of Agreement shall be considered to constitute the date of handover and acceptance of the Subject-matter of Agreement.
- 6.3 In case of any delay with the shipping or handover of the Subject-matter of Agreement due to reasons on the part of the Customer, the Company shall be entitled, after [10 days] following a notice sent by the Company to inform that the Subject-matter of Agreement is ready for shipping or handover, to demand from the Customer to pay a storage charge amounting to [0.5%] of the Purchase Price for each and every commenced day. The storage charge shall be limited to no more than [50%] of the Purchase Price. This shall be without prejudice to the Company's right to compensation for damage caused by such delay.
- 6.4 If, in order to meet its obligation to deliver the Subject-matter of Agreement, the Company needs cooperation from the Customer, the Company shall invite the Customer to provide the necessary cooperation, specifying a reasonable period of time and describing the scope of such cooperation. If the Customer is in delay with providing the cooperation, the Company shall not be deemed to be in delay and the delivery period for the Subject-matter of Agreement shall be extended by the period of the Customer's delay with providing cooperation.

6.5 A specific delivery condition under INCOTERMS 2010 can be agreed in the Agreement.

7. DELAY

7.1 The Company shall not be obliged to deliver the Subject-matter of Agreement to the Customer in the event that the Customer is in delay with any payment under the Agreement. The period of the Customer's delay with the payment of the Purchase Price or even a part thereof shall extend the delivery period for the Subject-matter of Agreement accordingly.

7.2 If the Customer fails to accept the Subject-matter of Agreement for reasons on its part or if the Customer fails to accept the Subject-matter of Agreement in the manner and at the time agreed in the Agreement, this shall constitute a fundamental breach of the Agreement and of CTC, giving rise to the Company's right to withdraw from the Agreement. The withdrawal from the Agreement shall be effective upon the delivery of the withdrawal notice to the Customer. In such case, the Company (regardless of whether or not the Company withdraws from the Agreement) shall be entitled to demand the Customer pay a contractual fine amounting to [20%] of the Purchase Price. The Customer shall pay the contractual fine within [10 days] after the Demand. This shall be without prejudice to the Company's right to compensation.

8. WARRANTY

8.1 Unless agreed otherwise in the Agreement, the Company shall provide a warranty for the Subject-matter of Agreement for a period of 24 months (i) from the date of handover of the Subject-matter of Agreement to the Customer or the first carrier designated to transport the Subject-matter of Agreement to the Customer or (ii) from the date when the handover protocol was signed by both Parties to confirm the acceptance of the Subject-matter of Agreement by the Customer.

8.2 The Customer shall inspect the Subject-matter of Agreement without undue delay upon its collection or acceptance and notify the Company if any defects are identified.

8.3 A claim concerning defects in the quantity of the Subject-matter of Agreement shall be deemed to have been made in time only if made within [5 days] after the acceptance or receipt of the Subject-matter of Agreement; otherwise any right of claim on such grounds shall expire.

8.4 Claims from visible defects in the Subject-matter of Agreement must be made by the Customer against the Company no later than upon the time of receipt or acceptance of the Subject-matter of Agreement or a part thereof; otherwise any right of claim shall expire.

8.5 Claims from latent defects in the Subject-matter of Agreement must be made by the Customer against the Company without undue delay after the defects were detected, but no later than within the warranty period; otherwise any right of claim shall expire.

8.6 Claims from defects in the Subject-matter of Agreement must be made by the Customer in writing and sent to the address specified in the Agreement. If no address is specified in the Agreement, claims shall be sent to the Company's address indicated in the Commercial Register. E-mail communication by duly authorized persons shall also be considered to constitute a notice in writing by the Parties.

8.7 When making claims on the grounds of defects or warranty for the Subject-matter of Agreement, the deficiencies claimed must be clearly and unambiguously specified by indicating the type of the Subject-matter of Agreement and describing the manifestation and scope of defect in the Subject-matter of Agreement.

8.8 The Company shall be entitled to request that the claim is settled with the Customer at the place where the defect in the Subject-matter of Agreement has come to light, and the Customer shall make such settlement possible.

8.9 If it is determined that the claimed defect in the Subject-matter of Agreement was caused by incorrect use, incompetent manipulation or inconsiderate handling of the Subject-matter of Agreement, the Customer shall have no right of claim on the grounds of defects or warranty.

8.10 The Customer shall not be entitled to make, or allow any third parties to make, any interventions to be made in the design of the Subject-matter of Agreement or the packaging thereof, or modify the nature thereof in any manner.

8.11 If it turns out that the Company is not liable for the defect of the Subject-matter of Agreement, the claim shall be considered unfounded (hereinafter referred to as "**Unfounded Claim**"). In case of an Unfounded Claim, the Company shall be entitled to demand from the Customer a reimbursement of [100%] of the costs incurred by the Company in connection with the verification of the claim, as well as any possible transport costs for the Subject-matter of Agreement.

8.12 If the Customer is in delay with the payment of the Purchase Price for the Subject-matter of Agreement, the Customer shall not be entitled to make any claim on the grounds of defects or warranty throughout the duration of such delay. In such case, the Company shall not be considered to be in delay with the remedy of the defect or the settlement of the claim.

8.13 Only defects that prevent full use of the Subject-matter of Agreement shall be deemed to constitute defects in the Subject-matter of Agreement. The validity of a defect claimed shall be evaluated on the basis of the following principles:

- a) Optical defects are assessed under diffused daylight from 1m distance and at an angle, which corresponds to the common use of the specific space. Defects in the appearance, which are not visible during such assessment under those conditions, shall not be considered to constitute defects in the Subject-matter of Agreement. Superficial defects of any nature smaller than 0.5mm shall not be considered to constitute defects in the Subject-matter of Agreement, because they usually cannot be distinguished by the naked eye;
- b) Defects in rails and wheels shall be assessed based on their wear and tear, see the document on "Dimensional standards and installation tolerances", which forms part of technical documentation;
- c) The deflection of cross beams shall be assessed individually based on the applicable CSN standards;

- d) The dimensional and manufacturing tolerances are based on the “Technical documentation of the Manufacturer”.

8.14 Furthermore, the following shall not be considered to constitute a defect in the Subject-matter of Agreement:

- a) another adjustment of the Subject-matter of Agreement following the first basic adjustment in case of a modification in the settings of latches, end limit switches, change in the handling technology, or following the first adjustment without entering the dimensional and technical parameters of the handling technology;
- b) necessary software modification to be carried out at the Customer’s premises after the handover of the Subject-matter of Agreement following a change in the use of the Subject-matter of Agreement;
- c) defects in the Subject-matter of Agreement or a part thereof stored at the place of installation, which were caused by inappropriate moving or damage by the Customer, or defects caused by operation of equipment by the Customer before handover;
- d) defects occurred in the Subject-matter of Agreement after a service intervention of any entity other than the Company or another entity designated or approved in writing by the Company for such service intervention.

8.15 The Company undertakes to remedy any justified defect claimed no later than within thirty (30) days after the receipt of the claim, unless a longer period of time has been agreed or unless the nature of the claim implies the need for a longer period for its remedy.

8.16 The method of remedy of a justified defect claimed shall be solely at the discretion of the Company. If a defect in a certain part or component of the Subject-matter of Agreement can be remedied by repair of that part or component, the Customer shall not be entitled to a replacement of that part or component.

8.17 The Company reserves the right to evaluate a claim at the place where the Subject-matter of Agreement which is the subject-matter of the claim is located. If the Customer fails to make such evaluation possible, the Company cannot be deemed to be in delay with remedy of the defect.

9. TRANSFER OF RISK

9.1 Any risks related to the Subject-matter of Agreement, including, without limitation, the risk of damage to the Subject-matter of Agreement, shall pass onto the Customer according to the conditions agreed in the Agreement or, otherwise, at the moment when the Subject-matter of Agreement is handed over to the first carrier or at the moment when the Subject-matter of Agreement is accepted by the Customer or another person designated by the Customer.

9.2 In the event that the Customer fails to accept the Subject-matter of Agreement in the manner and at the time agreed in the Agreement, all risks related to the Subject-matter of Agreement, including, without limitation, the risk of damage to the Subject-matter of Agreement, shall pass onto the Customer on the first date of such delay on the part of the Customer.

10. LIABILITY

10.1 The Parties shall not be held liable for a failure to meet their obligations arising from the Agreement, where such failure is caused by force majeure.

10.2 Force majeure circumstances shall be considered to include, in particular and without limitation, natural disasters, fire, war conflicts, civil wars, strikes, terrorist acts, rebellions and revolutions, acts of piracy, sabotages or accidents, as well as acts by third parties of unforeseen, inevitable and extraordinary nature, which could not be reasonably anticipated and which could not be prevented, avoided or overcome. For the purposes of the Agreement and in order to avoid any doubt, an accident shall be understood as emergency, man-made accident or disaster resulting in destruction or damage of manufacturing equipment, important machine or device, building, technological unit of the Company, human health or life of the Company’s staff or in environmental or economic damage to the Company’s assets, if they caused a production shutdown for a period exceeding 1 day.

10.3 The Parties shall inform each other about any force majeure circumstances without delay. In case of a failure to meet this information obligation, the circumstance in question shall not be considered force majeure.

11. WITHDRAWAL FROM THE AGREEMENT

11.1 Except for other reasons specified in the Agreement or CTC, the Company shall be entitled to withdraw from this Agreement also for the following reasons: (i) a motion to open proceedings under the Insolvency Act or any other similar proceedings against the Customer has been filed, or (ii) the Customer violates another obligation under the Agreement and fails to remedy the situation within a reasonable period of time upon a written demand of the Company without any negative consequences for the Company, and no longer [15 days] after the delivery of such demand.

12. ASSIGNMENT OF RIGHTS

12.1 The Customer shall be entitled to assign or transfer any rights or obligations arising from the Agreement solely upon a prior written consent of the Company. The Company shall be entitled to assign or transfer any rights or obligations arising from the Agreement also without the Customer’s consent.

13. CHOICE OF LAW

13.1 The Agreement, all disputes arising from the Agreement and related to its existence, performance and termination, as well as disputes concerning its validity shall be governed by the laws of the Czech Republic.

13.2 The competent local court in the registered office of the Company shall have the jurisdiction to decide on any disputes, differences, disagreements or claims arising from, or in connection with, the Agreement or any violation, termination or invalidity thereof. By concluding the Agreement, the Customer agrees to the arrangements concerning the local court jurisdiction.



Any and all disputes shall be resolved under Czech procedural regulations.

14. VALIDITY OF THE AGREEMENT

14.1 If, in the Agreement, the Parties agreed otherwise than stipulated in CTC, the provisions of the Agreement shall prevail.

14.2 The unenforceability or invalidity of any article, paragraph, point, sentence or provision of the Agreement shall not affect the enforceability or validity of the remaining parts thereof.

14.3 The Parties hereby exclude the application of the provisions of Sections 1799 and 1800 of CC.

14.4 The Customer shall assume the risk of change in circumstances pursuant to the provisions of Section 1765(2) of CC.

Obchodní společnost KREDIT, spol. s r.o.
Slavkov 284, postal code 687 64
Czech Republic