

Purchase Terms and Conditions of stauner palet s.r.o.

1 Introduction

1.1 The Purchase Terms and Conditions of stauner palet s.r.o. (hereinafter referred to as the "PTC") shall apply to all purchase contracts of stauner palet s.r.o. (hereinafter referred to as the "Buyer") on the basis of which the seller sells goods to the Buyer. If terms of a purchase contract having been concluded differ from terms and conditions of these PTC, the terms of the purchase contract in the particular scope shall take precedence over the terms and conditions of the PTC.

1.2 "Goods" shall be understood all goods, services or other performance that the seller sells or provides to the Buyer regardless of the fact whether these goods or other performance are intended for further sale, provision to third parties by the Buyer, incorporation in the Buyer's products or if the Buyer uses them for its own needs. If the seller provides the Buyer with services, such purchase contract shall be considered contracts for work, the Buyer shall be considered the ordering party and the seller shall be considered the contractor.

1.3 The contractual relationship between the seller and the Buyer the subject of which is delivery of goods (hereinafter referred to as the "Purchase Contract") can originate as follows:

- a) By the seller and the Buyer signing a written contract unless specified otherwise in the contract, or
- b) by the seller confirming the Buyer's order and delivering the confirmed order to the Buyer, or
- c) in a different manner, but only provided that manner is defined in the General Purchase Contract.

1.4 The Buyer's order shall only be binding if it is sent to the seller in writing (i.e. by a registered letter, by fax or e-mail). The seller shall confirm the order to the Buyer in writing within the period of time specified in the order; if none period of time is specified, the seller shall do so within five days following the day of delivery of the Buyer's order to the seller (i.e. the Buyer shall receive the order confirmation within that period of time) otherwise the order shall be considered unaccepted. The Buyer reserves the right to cancel the order at any time prior to receiving its confirmation. Changes to the order made by the seller shall only take effect after being confirmed in writing by the Buyer. Oral arrangements of the Buyer's workers that differ from the content of the contract or that are not included in the contract shall be confirmed by the Buyer in writing, otherwise they shall not apply.

1.5 The Buyer shall be entitled to cancel any purchase contract having been concluded at any time prior to its fulfilment by sending a

written notice of withdrawal to the seller. In such an event, the Buyer shall be obliged to pay to the seller the costs that the seller has provably incurred in connection with realization of the purchase contract having been cancelled. The payment shall be made on the basis of an invoice issued by the seller in compliance with the provisions of the contract. If a contract is cancelled for a serious reason, if the seller suspends its delivery, interrupts work without a serious reason and fails to commence the delivery after a demand of the Buyer within a period of time determined by the Buyer, or if the seller fails to follow contractual deadlines, the seller shall not be entitled to compensation for the costs as per the previous sentence.

1.6 Any other terms and conditions contained in business or other terms and conditions of the seller, form contracts, confirmations, etc. which the seller sends to the Buyer along with the order confirmation shall never become the content of the purchase contract, not even if the Buyer does not explicitly reject them.

2 Price, Invoicing, Payment Terms and Payment Method The Buyer undertakes to pay to the Seller the price for the goods arranged in the Purchase Contract.

2.2 The price is arranged as a fixed price including all costs (esp. the costs of transportation of the goods to the place of delivery, packing charges, duty, insurance and the costs of loading and unloading).

2.3 An invoice shall fulfil all statutory requirements for a tax document, the Purchase Contract/order number, all data on the goods itemized as per the Purchase Contract (quantity, weight, number of pieces) specifying the particular price and the total price of the goods in full and when discounted, otherwise the Buyer shall be entitled to return the invoice. In such an event, the invoice maturity shall start again after delivery of a duly issued invoice.

2.4 The invoice maturity shall be 20 days following the day on which the Buyer receives the invoice from the seller. The invoice maturity shall be considered followed if the Buyer makes a payment order within the maturity period. The place of performance for the payment shall be the Buyer's registered office. The seller shall provide the Buyer with a cash discount of 2 % of the total purchase price including VAT if the payment is made within 7 days following the invoice delivery.

2.5 If the Buyer fails to pay the price in due time, the late interest shall amount to 0.03 % of the outstanding amount per day.

2.6 The seller may assign its receivables from the Buyer only with the Buyer's explicit previous written consent.

3 Delivery Term and Place of Goods Delivery

3.1 If the delivery term and the place of the goods delivery is not arranged by the seller and the Buyer in the Purchase Contract, the goods shall be delivered to the plant of the Buyer who concluded the Purchase Contract with the seller within 15 days following the Contract conclusion.

3.2 Early delivery of goods is only possible on the basis of the Buyer's consent. If the Buyer does not give its consent, the seller shall be obliged to perform the Purchase Contract on the delivery term. The Buyer shall be entitled to postpone the originally scheduled delivery term by up to 4 weeks without any statutory consequences related to late acceptance of goods.

3.3 The seller shall be obliged to deliver the goods to the place of delivery and unload the goods at the place of delivery at the time determined in the Purchase Contract. If no exact time of delivery is specified in the Purchase Contract or if it is not arranged otherwise, the goods shall be unloaded at the place of delivery on a working day between 7 a.m. and 2 p.m. If the goods are delivered via a courier service, the seller shall be held liable for any possible inconsistencies in the goods quantity found later.

3.4 The seller shall pack, mark and prepare the goods for transportation in a manner preventing the goods from being damaged during transportation and complying with the Purchase Contract and legal regulations of the Czech Republic. Related costs are included in the price of the goods.

3.5 The goods shall be delivered in the quality arranged. If nothing in this respect has been arranged, the goods shall be delivered in such quality that allows to fulfil the purpose for which the goods are usually used. The goods shall comply with applicable legal regulations of the Czech Republic and with all applicable Czech technical standards (CSN) and European standards (EN).

3.6 The seller shall enclose to the delivery a bill of delivery or a handover protocol including all data from the order, such as the name of the person having ordered the goods, the order number, number of parts, exact designation of the goods, the order item and, in case of orders from European Union countries, also the duty number and goods number.

3.7 If the goods delivery is delayed, the Buyer shall be entitled, at its discretion, to refuse the goods and withdraw from the Purchase Contract or accept the goods. In case of delay of threatening delay the seller shall be obliged to immediately inform the Buyer of that fact.

3.8 If the seller fails to perform the Purchase Contract in due time, the seller shall be obliged to pay a contractual penalty amounting to 0.05 % of the price of the goods for every day of delay. Payment of the contractual penalty shall not affect the

entitlement to compensation for damage.

4 Provision of Material

4.1 Unless it is arranged otherwise in the individual orders and if the Buyer provides material for production of the goods, the seller shall settle the costs of transportation of the material from the place of storage to the place of the goods production specified by the seller.

4.2 Deliveries of material shall be carried out on the basis of partial orders under the terms and conditions specified furtherin with reference to the schedule of deliveries having been approved. The seller shall not be entitled to instant complete delivery of material for the whole ordered quantity of the goods being produced. The material shall be regarded as delivered in due time by the Buyer if the material important for the production is delivered or made available 1 week prior to the arranged goods delivery term and the material which can be incorporated additional is delivered or made available 3 days prior to the arranged goods delivery term in relation to the individual partial orders or the schedule of production and goods delivery having been arranged. If a delivery of material is late for reasons caused by the Buyer, the term of the goods delivery shall be postponed by the number of calendar days corresponding with the number of days by which the material was delivered later.

4.3 Besides the obligations specified further in these PTC, the seller shall be obliged not to store the delivered material in an open area, but in a roofed or otherwise sheltered place. The seller shall be held liable for damage to the delivered material for the whole period of time.

4.4 The seller shall be obliged to confirm to the Buyer by fax or e-mail that the material has been delivered. If delivery of the material is not confirmed within 3 days, it shall apply that the material was delivered complete and free of defects. The seller shall make complaints about quantity or quality of the delivered material (especially deliveries of technologically defective material or deliveries of smaller or bigger quantity of material than necessary for the production) only in writing and specify the reasons for the complaint within 3 days after the delivery of the material. Later claims based on quality or quantity defects shall not be taken into consideration. If the Buyer fails to take away extra material having been delivered, the seller shall be obliged to send to the Buyer a fax or e-mail message after 4 weeks.

4.5 The seller shall be obliged to do stocktaking of the material and goods having been produced on 30 June and 31 December of every calendar year and send its result to the Buyer within 5 working days.

4.6 The seller shall be obliged to return packing technology, such as GIBOX palettes and EURO palettes, along with the bill of delivery within 4 weeks. Only such return deliveries whose bills of delivery are confirmed by a

representative of the Buyer shall be considered returned. The seller shall approve of the quantity and kinds of such packaging material in writing as at the last day of every calendar month. If nothing was returned, the Buyer shall be entitled to charge to the seller the value of the packaging material.

4.7 The seller shall be obliged to pay for the scrap generated by production of the goods (from the metal material provided or paid by the Buyer) unless it is returned to the Buyer. The Buyer shall be entitled to charge the value of the scrap to the seller in the amount which it would receive by selling it. The seller shall settle such an invoice within 14 days or set off against any invoice rightfully issued to and payable by the Buyer. The seller may scrap end pieces of rod material that are longer than 300 mm and end pieces of sheets that are wider than 100 mm (these materials are not considered scrap) only after a previous agreement with the Buyer and on the basis of the Buyer's written consent (by fax/e-mail). The seller shall be responsible for evidence that the provisions specified above have been adhered to.

5 Transfer of Ownership and Liability for Damage

5.1 All seller's deliveries shall be carried out without reservation of an ownership title or rights of third parties. Such reservations shall be ineffective even without an explicit objection of the Buyer.

5.2 The ownership title to the goods and the liability for damage to the items shall pass onto the Buyer at the moment the Buyer confirms the bill of delivery.

5.3 The seller shall not be entitled to transfer its contractual rights and obligations onto third parties without the Buyer's explicit consent.

6 Warranty and Liability for Defects, Compensation for Damage

6.1 Unless the Purchase Contract explicitly specifies duration of the warranty period, the seller shall provide warranty for the goods quality of 24 months. The seller guarantees that the execution, construction, purposefulness and technology of the goods production corresponds with the latest findings of science and technology, that only suitable and first-class material was used and that the goods are suitable for the purpose mentioned by the Buyer.

6.2 In the event of further sale of the goods by the Buyer or incorporation of the goods in the Buyer's products the warranty period shall start at the moment the Buyer's customer takes over the goods; however, within 30 months following delivery of the goods to the Buyer at the latest. In other cases the warranty period shall start on the day that the goods are delivered to the Buyer.

6.3 The Buyer shall be entitled to report defects to the goods at any time during the warranty period and can choose an entitlement arising out of the defect to the goods. The Buyer

shall report a defect by means of a registered letter, by fax or e-mail to the seller's contact address specified in the Purchase Contract.

6.4 The seller shall remove the defect without undue delay after it is reported. If the Buyer informs the seller that a defect to the goods concerns an accident, the seller shall start removing the defect immediately, i.e. within 24 hours at the latest. The seller shall settle all costs related to removal of the defect including the Buyer's costs related to the defect.

6.5 If the seller fails to remove the defect or start removing the defect in compliance with the provision of the previous paragraph, the Buyer shall be entitled to have the defect removed at the seller's expenses.

7 Technical Documentation

7.1 Commercial and production source documents of the Buyer as well as other items or technical drawings that the Buyer submitted to the seller shall be returned to the Buyer without delay upon the Buyer's request, however, upon termination of the Purchase Contract at the latest.

7.2 The seller shall perform the production of the goods having been ordered solely for the Buyer according to the drawings having been submitted and shall maintain the confidential character of especially the technical details. The seller is not allowed to produce the goods or its parts on the basis of drawings for other products than for the products ordered by the Buyer; the seller shall not be entitled to sell them to third parties, either.

7.3 Only the Buyer shall be entitled to make all technical or other solutions that the seller newly discovers within delivery of the goods to the Buyer a subject of intellectual property (a patent, a utility model, an industrial model, etc.).

7.4 The seller shall be held liable for the fact that the goods delivered are not burdened with any rights of third parties and particularly that no third parties' industrial property rights are infringed. If these rights are infringed, the seller shall defend the Buyer and hold the Buyer harmless against all claims of third parties for compensation for damage.

8 Final Provisions

8.1 The legal relationships arising out of purchase contracts having been concluded shall be governed by the legislation of the Czech Republic.

8.2 The seller shall be obliged to deliver the goods defined by the individual orders solely to the Buyer and not deliver any goods directly to the customers of stauner palet s.r.o. or JOSTA Engineering- und Vertriebs-GmbH. This shall apply both in the Czech Republic and abroad. If this obligation is breached, the Buyer shall become entitled to a contractual penalty amounting to 25 % of the value of the ordered goods.

- 8.3 The contracting parties undertake to settle all disputes in an amicable manner.
- 8.4 Unless an agreement as per point 7.2 is reached, the Buyer's general court shall have jurisdiction over the dispute.
- 8.5 If any provision of these PTC is or becomes invalid or ineffective, other provisions shall not be affected. The invalid or ineffective provision shall be replaced with such a provision the legal meaning and purpose of which are as close as possible to the invalid or ineffective one.
- 8.6 The Buyer reserves the right to amend these PTC at any time.
- 8.7 These Purchase Terms and Conditions take effect on 1 October 2015.