

Elektro Drapač s.r.o. - General Business Terms and Conditions

1. Introductory Provisions

These General Business Terms and Conditions (hereinafter referred to as the "GBTC" apply to any and all orders, contracts, agreements, supplies, deliveries, complaints and warranty claims relating to all kinds of goods and products supplied and all kinds of services provided by the company of Elektro Drapač s.r.o. having its registered office at Velké Poříčí 177, Czech Republic, Company Number: 25208236 (hereinafter referred to as the "Supplier") to all customers (hereinafter referred to as the "Buyer" or the "Buyers") provided that both the contracting parties refer to these GBTC in the given contract or when making a contract or in an order, in an order confirmation or in a different act according to Par. 1751 of the Civil Code (Act 89/2012 Sb.) (hereinafter referred to as the "Civil Code"). These GBTC can be found on the website of ELEKTRO DRAPAC s.r.o. at <http://www.eldr.cz>

Any consensual provisions, covenants and/or, stipulations agreed between the Parties that differ from these GBTC take precedence over these GBTC.

2. Contract of Purchase, Contract for Work

Wherever the word "contract" is used in these GBTC, it is understood to be a contract of purchase or a contract for work. Wherever the word "Supplier" is used in these GBTC, it is understood to be the company of ELEKTRO DRAPAC s.r.o. Rights and obligations not explicitly regulated in these GBTC (or not regulated by express stipulation agreed between the Parties as the case may be) shall be governed by the provisions of the Civil Code relating to the type of the contract of purchase or to the type of the contract for work. To distinguish individual types of contracts, provisions of Paragraphs 2079, 2086, 2586 and 2587 of the Civil Code shall be used. Wherever the word "Buyer" is used in these GBTC, it is understood to be the "Buyer" in case of a contract of purchase and the "client ordering a work to be done" in case of a contract for work.

Legal acts leading to making a contract can be made by the Parties in writing or orally (also over telephone) or by fax or by electronic means even in case that the electronic act is not provided by any guaranteed electronic signature. Legal acts leading to making a contract need not be on the same document as the contract itself. A contract can also be made by a factual supply or delivery or by manufacturing the goods or the product agreed upon. The provisions set forth in this paragraph also apply to other legal acts relating to a supply, delivery, complaint etc.

3. Obligations of the Buyer

The Buyer is obliged to pay the price pursuant to Article 6 hereof as well as the price of all services agreed upon and provided by the Supplier.

The Buyer is obliged to keep any and all information obtained from the Supplier confidential, to prevent such information from being misused and not to supply information that could harm the Supplier to any third parties.

In case of the goods supplied by Elektro Drapač s.r.o. being resold by the Buyer to any third parties, the Buyer is not allowed to act on behalf of the Supplier or to use the name of the Supplier (ELEKTRO DRAPAC s.r.o.) without the Supplier's express assent.

4. Manner of Performance & Obligations of the Contracting Parties

The Supplier undertakes to supply the ordered goods and/or services to the Buyer duly and according to the schedule agreed upon and the Buyer is obliged to take them over.

The Supplier shall not be responsible for any delay in the supply of the goods or for impossibility of supplying the goods if such delay or impossibility is caused by Force Majeure. In such a case, the Supplier shall give

notice to the Buyer and has the right to extend the time of delivery or even to withdraw from the Contract without assuming any liability for non-performance.

Immediately after the goods are supplied or delivered, the Buyer is obliged to accept them physically and to approve the kind, model, quantity and quality of the supply. The acceptance of the goods shall be confirmed on the respective delivery note or assembly note, invoice or on the respective handover report. Any later claims or complaints about the kind of goods, model, quantity and apparent defects shall not be regarded as justified and shall not therefore be recognized.

Until the price of the goods and/or services ordered and supplied is paid in full, they remain in the exclusive ownership of the Supplier. The Supplier's right to contractual penalty including the interest on late payment (Article 7 hereof) is not affected by this provision.

In case of a C.O.D. (Cash on Delivery) supply, the Supplier's representative is authorized to receive the cash payment for the goods delivered against the respective receipt issued by the Supplier's representative to the Buyer.

In case the goods or products are assembled or services provided on the spot (on the Buyer's premises) or in a place different from the Supplier's registered office, the goods, products or services are deemed to be duly supplied or provided the moment the Buyer or his representative signs the respective assembly note, or delivery note or the invoice or the respective handover report. If the Buyer or his representative is not present in the place of delivery of the goods or in the place of provision of the services, the assembly note, or the delivery note or the invoice or the respective handover report may be signed by a person authorized to act on behalf of the operator of the shop, store, workshop, plant or organization for which the goods, products and services are intended. In case the goods or products are not assembled or service provided on the spot (on the Buyer's premises) or in a place different from the Supplier's registered office, the Supplier may, even without any explicit consent of the Buyer, send the goods or products through a third party (i.e. forwarder) to the place of destination agreed upon or to the Buyer's registered office at the Buyer's expenses. In such a case the goods or products are deemed to be duly delivered and thus the Supplier's contractual obligation fulfilled on handing the goods or products over to the third party (i.e. to the forwarder). The Supplier is also authorized to call upon the Buyer to collect the shipment in the place of the Supplier's registered office within a certain period of time that should not be shorter than 3 working days. In such a case the goods or products are deemed to be duly delivered and thus the Supplier's contractual obligation fulfilled on their collection (taking over) in the place of the Supplier's registered office. If the Buyer fails to collect and take over/accept the shipment (goods or products) within the period of time specified in the Supplier's call to collect the shipment, the goods or products are deemed to be duly delivered and thus the Supplier's contractual obligation fulfilled on the lapse of the time period given. The risk of damage to the goods or products passes over to the Buyer the moment that the goods are delivered.

The Buyer is not authorized to return the agreed and supplied goods to the Supplier without having a statutory reason to do so (e.g. a reason based on the Supplier's liability for defects) or without having made a written agreement with the Supplier on returning the goods. If the Supplier sends the goods or products back to the Supplier without having a statutory reason to do so, he bears the risk of damage to the goods or products and is obliged to pay compensation for the expenses incurred to the Supplier (e.g. storage, sending the goods or products back to the Buyer etc.)

5. The Price

The price of the goods and/or service(s) is based on individual calculation carried out by the Supplier and it shall only be binding on the condition that the Buyer provides the Supplier with all the information necessary for correct calculation. In case of any changes in some calculation parameters, the Supplier reserves the right to change the price accordingly.

The respective price agreement is also deemed to be duly made by ordering the goods, product or services by the Buyer after the Buyer received the respective price quotation. The price agreement is also deemed to be duly made in case the Supplier offers to the Buyer the price quotation in the order confirmation and such price quotation is not expressly and provably refused by the Buyer within 3 working days of the date of receiving the said price quotation.

The price of the goods shall be increased by the relating packing and transport costs.

6. Terms of Payment

The Supplier is entitled to receive the full payment of the purchase price on taking over the goods and/or acceptance of the services by the Buyer (Article 4 of these GBTC).

The Supplier shall issue to the Buyer the invoice for the goods supplied and/or service(s) provided payable within 14 days unless otherwise agreed.

The date of making the payment is understood to be the date on which the invoiced amount is received on the Supplier's bank account or the date on which the payment is made in cash in the Supplier cashier's office.

If the Buyer is in delay with the payment of the purchase price, the Supplier has the right to suspend further supplies of the goods, products and services or to require immediate payment on delivery or to require a down payment. In such a case the Supplier is not considered to be in delay with the supply.

The Supplier has the right to charge the Buyer a contractual penalty amounting to **0.25 percent** of the outstanding amount for each day of the delay. The Supplier's entitlement to the interest on late payment in the statutory amount is not affected by this provision.

7. Warranty Period and Complaints

The Supplier's products come with a 12-month warranty except for lighting-through systems in advertising devices for which the warranty period is 6 months. The warranty period begins to run on the date of receiving the goods by the Buyer or on the date of completion of the supply (Article 4 of these GBTC).

The Supplier bears responsibility only for such defective supplies, the quality or quantity of which differs from the terms and conditions agreed upon. The hereinafter mentioned warranty conditions shall apply.

Complaints may only be lodged in writing. The complaint must include the date of delivery of the goods, products or services claimed about, the number of the relating invoice, a detailed description of the defect and the Buyer's requirement(s).

The Buyer is obliged to inspect the goods thoroughly on their delivery and to lodge complaints (if any) about the kind of the goods, their quantity and quality (provided that such quality defects are apparent and detectable on delivery) immediately otherwise he loses the rights arising out of the Supplier's liability for defects. In case of hidden defects, the Buyer is obliged to lodge the complaint without undue delay immediately after he finds (or could have found) them when carrying on with due professional diligence otherwise he loses the rights arising out of the Supplier's liability for defects. Such complaint can only be lodged within the warranty period provided.

If the contracting Parties' opinions on the defect(s) differ, the quality of the goods shall be examined and determined by an impartial institution and its conclusion shall be binding for both the contracting Parties. The costs of the examination shall be the responsibility of the Party to the detriment of which the results of the examination are.

Irrespective of lodging any possible complaints about the goods, the Buyer is obliged to pay the purchase price in full in due time and not to connect the payment of the purchase price with the complaint.

The maximum amount of the Supplier's liability for defects or of the Suppliers liability to pay damages for any other reasons relating to the supply of goods, products and/or services shall be the paid price of the goods or products supplied or services provided. The rights arising out of the Supplier's liability for defects cannot be asserted after the termination of the time-limit determined for assertion of such rights.

Warranty Conditions

1. The Supplier bears no responsibility for defects caused by the Buyer, particularly as a result of unprofessional or amateurish installation mechanical damage, chemical damage, improper storage and the like. A change in the properties of the goods that appears within the warranty period and that is caused by their wear and tear, improper use, insufficient or improper maintenance, natural changes of the material(s) used as well as any change in the properties of the goods caused by the Supplier or a third party or by any other nonprofessional intervention is not understood to be a damage to the goods within the intention of these Warranty Conditions
2. An essential prerequisite for complaints to be recognized is the observance of the following operating conditions:
 - The supply voltage shall not exceed the tolerance given by the applicable standard on electrical networks, the product/device shall be connected to the mains pursuant to applicable standards;
 - The working conditions shall be consistent with those agreed upon in the relating contract or order (e.g. the product to be placed outside building). LED devices shall not be in operation when the sun shines and they shall be blocked by e.g. a "twilight switch" or by an astronomical clock unless they are explicitly designed for operation under such conditions;
 - The device shall not be operated contrary to the applicable standards and regulations;
 - The device shall not be damaged by external influences, unprofessional handling or by using force.
 - For the warranty purposes, the anticipated time of lighting is 10 hours a day, i.e. 3,650 hours a year unless otherwise agreed.

8. Quality

The goods are supplied in the quality corresponding to the respective applicable standards.

9. Confidentiality

The contracting Parties undertake to keep all information relating to the other Party they get to know during cooperation with the other Party(and/or during other supply-related activities) that can be considered to be economic, bank, or business secrets (including all and any facts which, if disclosed to any third party, could affect the safety, business interests or good standing of the other Party) strictly confidential.

Velke Porici 01/01/2016

Miloš Drapač
Company Executive