



# General Selling Conditions of Company SECO Příbram spol. s r.o.

## 1 Basic Provisions

1.1. These General Selling Conditions (hereinafter referred to as "GSC") regulate the contractual conditions between SECO Příbram spol. s r.o., with registered office at 292 Plynárenská, Příbram I, VAT No. CZ25096087, (hereinafter referred to as Supplier) and the counterparty (hereinafter referred to as Customer). All business transactions made by the Supplier shall be regulated exclusively by these GSC. By entering into the Contract, the Customer confirms that it agrees to these GSC, including the Complaint Procedure Rules of the company SECO Příbram spol. s r.o. These GSC constitute an integral part of all offers and confirmations of order acceptance issued by the Supplier and shall be applied, unless the contracting parties agree in the Contract or in the confirmation of order acceptance, in writing, otherwise. The Supplier hereby expressly disagrees to the Customer's orders and confirmations that refer to Customer's business and purchase conditions. The Customer is not authorised, without Supplier's prior express consent, to exclude the applicability of these GSC or a part thereof.

## 2 Definition of Terms

2.1. In these GSC the following terms shall have the meaning respectively set opposite them:

- 2.1.1. "Contract" : a Frame Agreement, a Partial Contract, a Contract of Purchase or a Contract for Work.
- 2.1.2. "Frame Agreement" : an agreement regulating the conditions under which the Supplier and the Customer shall conclude Partial Contracts.
- 2.1.3. "Partial Contract" : a Contract for Work or a Contract of Purchase concluded according to a Frame Agreement.
- 2.1.4. "Work" : creation of a certain thing, tailor-made, assembly of a certain thing, its maintenance, performance of an agreed repair or alteration.
- 2.1.5. "Supplier" : the seller according to the Contract of Purchase or contractor according to the Contract for Work.
- 2.1.6. "Customer" : the purchaser according to the Contract of Purchase or the purchaser according to the Contract for Work."
- 2.1.7. "Service" activity or rework performed on the supplier material or customer supplied goods.
- 2.1.8. "Goods" : a movable thing that shall be, as an object of the Contract, delivered to the Customer.
- 2.1.9. "Material" : the things that shall be delivered by the Customer to the Supplier for order fulfilment.
- 2.1.10. „Takeover“: takeover of the Goods by the Customer.
- 2.1.11. The other terms, if not defined in the Contract otherwise, shall have the meaning as resulting from applicable legal regulations or in the sense as they are usually used.

## 3 Scope of Deliveries and Performance

3.1. The scope of deliveries and performance is determined by a written Contract between the Supplier and Customer or by a written confirmation of order acceptance. Supplier's offers are not binding.

3.2. The contractual relation comes into force if the Supplier after receiving the Customer's order sends a written confirmation of order acceptance and/or takes up fulfilling the order.

3.3. Deliveries and performance shall comply with the regulations valid in the Supplier's country.

3.4. Goods can be operated only in normal working conditions according to the provision Art. 6.1 standard ČNS EN 60439-1 ed.2. (corresponding to IEC 60439-1:1999) and contamination degree 1 according to Art. 6.1.2.3 of the same standard.

3.5. Transport, storage and assembly shall be governed by the same provisions as in Art. 3, para. 3.4

3.6. Price calculations, drawings and other data compiled by the Supplier are in ownership of the Supplier, who has also the right to use them, while third parties' access can be granted only upon Supplier's prior written consent. The drawings and other data relating to the Supplier's offer shall be, if the contract is not awarded to the Supplier, given back to the Supplier without any delay upon Supplier's demand.

3.7. Art. 3, para. 3.6 is applied accordingly also to the Customer's data – these can be however provided to a third party to which the Supplier has permissibly assigned the delivery or performance.

## 4 Price, Place of Fulfilment

4.1. The place of fulfilment and the price are EXW Supplier's registered place of business according to INCOTERMS 2000 excl. packing



4.2. If, upon Customer's request, the transport is arranged by the Supplier, the insurance of the freight shall be taken out only upon Customer's express demand.

## **5 Ownership of Goods**

5.1. The supplied Goods remains in Supplier's ownership, until the purchase price is fully paid. Until then the Supplier reserves the right to take the Goods back at the Customer's costs without respect to who possesses them and the Customer is obliged to take care that the Goods is unambiguously identifiable. The Customer is entitled to process and sell the Goods with reservation of ownership in the normal course of business, i.e. at sale of the Customer or other measures or dispositions to the benefit of third parties the transferability of Customer's receivables to third parties is not impossible. It is not permissible to perform pledges or transfers of ownership of guarantees to the goods with reservation of ownership. The Customer cannot acquire ownership to the goods in the event of processing or transformations. Processing or transformations are always done for the Supplier, but without any obligation for the Supplier. If the goods with reservation of ownership are combined with other movable things, so that they become an essential part of a complex, then the Supplier becomes the co-owner of this thing; the Supplier's share is determined by the proportion of the value of the thing at the time of the combination. But if it is necessary to regard the Goods with reservation of ownership as the main thing, then the Supplier acquires the sole ownership.

## **6 Payment Conditions**

- 6.1. Payments are understood netto i.e. without any expenses for the Supplier into the Supplier's bank account.
- 6.2. The determination of specific payment conditions is a result of negotiations between the Supplier and the Customer.
- 6.3. The Customer can charge only the receivables that are incontestable or legally valid and upon which the contracting parties agree.
- 6.4. The Supplier's right to invoice arises immediately after handover of the delivered Goods to the Customer or to the first carrier. In the case of agreed Takeover by the Customer, the right to invoice arises upon performance of successful Takeover. The invoiced amount falls due on the date specified as a due date in the tax document.
- 6.5. In the event of a Customer's delay with fulfilment of the obligations, the Supplier is not obliged to fulfil other deliveries until the debt is met. In such a case, the Supplier does not guarantee for other deliveries that the same payment conditions, as the previous deliveries, will be met. In that case, the Customer has not the right to claim the penalty for a performance delay that may occur in this connection. In the event of a default of performance of the obligations from the part of the Customer, the term of fulfilment of the confirmed order can be put off or deleted from the list of confirmed orders.
- 6.6. Should the Customer fail to meet the prescribed term of payment, it is the duty of the Customer to pay to the Supplier on the basis of Supplier's relevant statement the delay charges amounting to 0.1% of the owed amount for each day of the delay.

## **7 Delivery Term**

- 7.1. The delivery term means the availability of the Goods in the Supplier's registered place of business. The data of the delivery term are indicative only.
- 7.2. The delivery term can only be met on condition that the Supplier is provided with all the commercial and technical data and Material as may be needed for the order fulfilment. In the event of a delay with delivery of the necessary data or Material or performance of any other contractual duties from the part of the Customer or a change therein, the Supplier has the right to put off the delivery term.
- 7.3. Similarly, the delivery term can be met only provided that the payment duties against the Supplier from previous business transactions are met.
- 7.4. A delay in the delivery term of subcontractors or carriers of the Supplier, strike, fire, floods, ban on import, war, lockout as well as other events of Force Majeure relieves the Supplier of the duty to deliver in the prescribed time, without the Customer having the right to withdraw the order or the right to claim damages or contractual penalty.
- 7.5. If the Customer's Takeover is agreed, the Supplier is obliged to call on the Customer 3 days before the scheduled date of the Takeover to do so. If no representative of the Customer appears to carry out the Takeover within 5 days of the scheduled date of the Takeover, the Supplier is entitled to carry out the Takeover on its own and the Goods is thereby released for dispatch.
- 7.6. If the takeover of the Goods is put off upon Customer's demand or due to the facts for which the Customer can be held responsible, then it is possible, after the availability for handover is advised, to charge to the Customer for each commenced month the storage fees amounting to 0.5% of the price for the Goods. The storage fee can make at maximum 5% of the price for the Goods, unless higher costs are proven.



7.7. The contractual fulfilment from the part of the Supplier is with the reservation that there will be no obstacles resulting from national and/or international regulations in the field of international trade law and/or from embargoes (or other sanctions). The Supplier is not obliged to cover the damage caused thereby.

7.8. Documentation of the Supplier's serial boxes and products derived from them according to the demands of the Customer is in Supplier's sole ownership and, without Supplier's consent, cannot be used for manufacturing or copied or reproduced or provided to a third party. The Customer has not the right to protect it for itself as its own intellectual property. The Supplier is entitled to its commercial dispositions and to provide it to other Customers.

## **8 Transfer of Risk**

8.1. All the risks, including the risk of damage to the goods according to the Contract, are transferred to the Customer when the delivery is fulfilled - see Art. IV, para. 1. or when the Customer gets into delay with takeover of the Goods.

8.2. At occurrence of a delay of the Customer with payments, the liability for all partial or complete losses and damage to the Goods is transferred to the Customer.

## **9 Takeover**

9.1. The delivered objects shall be taken over by the Customer, either if they show minor defects.

9.2. Partial and/or premature fulfilment is permitted. The Supplier is entitled to fulfil the order before the term agreed in the Contract and the Customer is obliged to accept such fulfilment.

9.3. In the event of refusal to take over the Goods sent through a carrier on the basis of a concluded Contract for other than legal grounds, the Supplier is entitled to demand from the Customer a compensation for the damage incurred by the Supplier as well as recovery of all costs related to repeated delivery or storage in full amount.

## **10 Guarantee Conditions and Complaint Procedure**

10.1. The Supplier grants a guarantee for the delivered Goods in the duration of 12 months from the time of transfer of the risk of damage to the goods.

10.2. Complaints shall be raised according to the valid Complaint Procedure Rules of the company SECO Příbram spol. s r.o.

10.3. Warranty for service activities in accordance with Art. 2.1.7 is 1 calendar month

## **11 Contract Changes, Withdrawal**

11.1. Should an occurrence of unforeseeable facts in the sense of Art.7, para. 7.4 change the commercial purpose or contents of a delivery in a considerably high extent and should the occurrence of these facts have a substantial impact on the conduct of the Supplier's business, then the Contract shall be accordingly altered. If this is not commercially feasible, then the Supplier has the right to withdraw from the Contract. If the Supplier wants to exercise this right to withdrawal from the Contract, then it is obliged to notify the Customer of this fact without any delay after learning of the impact of the event.

## **12 Final Provisions**

12.1. All disputes that may arise from or in connection with the Contract shall be resolved amicably. Should no amicable agreement be reached, the Parties shall refer the dispute to the locally and factually competent according to the registered place of business of the Supplier. The Contract shall be governed by the laws of the Czech Republic. All other legal relations that are not solved by these conditions shall be regulated by the relevant provisions of the Commercial Code as amended. Application of the Vienna Convention on contracts for the international sale of goods is excluded.

12.2. Should any provision of the Contract or GSC be found in part or fully invalid, the validity of the other provisions shall remain thereby unaffected.

12.3. The Czech version of these GSC shall prevail.

12.4. These GSC shall come into effect on 11 March 2010. The Supplier reserves the right to change these GSC. Older versions, which are hereby superseded, are available upon demand from the Supplier.