

GENERAL SALES AND DELIVERY TERMS AND CONDITIONS of LIGUM spol. s r.o., Jablonec nad Nisou, Czech Republic

1. General

These General Sales and Delivery Terms and Conditions apply in full extent to deals arranged between LIGUM spol. s r.o., as the Seller, and the Customer, as the Buyer. Our Offers, Offer acceptance, Order confirmation, sales, delivery and services shall be governed exclusively by these Terms and Conditions, unless agreed otherwise in the Purchase Agreement or in written. All and any changes, amendments and supplements to these Terms and Conditions and to the Purchase Agreement require written agreement of both Parties, or else they shall be invalid.

2. Packing

Unless explicitly agreed otherwise, the Goods shall be packed in usual manner to prevent damage of the Goods during transport to the agreed destination.

3. Prices

Unless agreed otherwise, the purchase price shall be understood "ex works" (EX WORKS, INCOTERMS 2000), without transport costs and without insurance. The price shall be understood as net price, Value Added Tax excluded.

All and any Offers, price lists and preliminary price data shall be for information only; the Seller shall be bound by the concluded Purchase Agreement or by the confirmed Order.

4. Deliveries

The following shall be crucial for the scope of our delivery obligations: concluded Purchase Agreement, our confirmation of Order, mutually identical declarations; or, in their absence, our Offer.

The Seller shall deliver the agreed Goods within the period specified in the Purchase Agreement or in the confirmed Order. Only the delivery date confirmed by the Seller shall be binding. If the Goods delivery in compliance with the Agreement is made impossible by any circumstances that could not be foreseen or influenced by the Seller before concluding the Agreement, e.g. natural disasters, strikes, lack of raw materials, materials, energies, delayed or missing delivery of raw materials from subcontractors or additional changes in product design at Customer's wish, the agreed delivery period shall be extended by a time adequate to the circumstances that made impossible the performance within the originally agreed period. Nonobservance of the delivery period cannot be considered serious breach of Agreement and it shall not give rise to withdrawal from the Agreement by the Customer.

The Seller may deliver the Goods in partial deliveries, possibly before the specified delivery period. If the Buyer is in delay with payment of any preceding delivery, the delivery period shall be extended, at the minimum, by the period by which the Buyer has delayed the payment of the Buyer's commitment. If the Buyer is in delay with payment of any preceding delivery, the Seller may suspend any further deliveries until full payment of the amount owed.

During such time, the Seller shall not be in delay with delivery performance.

The observance of our delivery obligations requires timely and duly fulfilment of the Customer's obligations and required cooperation, including payment of agreed advances or submission of samples, documentation and technical parameters indispensable for proper delivery performance.

In case of any changes required additionally by the Customer, we shall be exempt from observance of the agreed delivery date.

If we fall into delay with the delivery for reasons for which we, as the Seller, are responsible, or if we breach other obligations resulting from the contractual relationship, any Seller's liability for damage caused by breach of obligations shall be limited (restricted) by the amount corresponding to the value of the specific delivery at the maximum.

5. Transport

Unless agreed otherwise, the transport of the contractual Goods shall be provided by the Buyer, at the Buyer's account and risk. The Goods sent by the Seller are at the Buyer's account and risk. By handing over the Goods to the forwarder or carrier from the Seller's warehouse, the risk of damage or loss shall pass to the Buyer. The Seller shall provide for insurance of transport of the Goods only based on a written arrangement in the Purchase Agreement.

6. Payment

Unless any other payment term or condition has been agreed with the Seller, the net sale price shall be due within 30 days from the day of the dispatch of the Goods from the Seller's factory and from the issue of the invoice.

The Seller may ask for payment of an advance up to 100% of the agreed performance price.

The Seller may use the Customer's payments to cover any older due items invoiced, including the respective late payment interests and costs, in the following order: costs, interests, main debt.

7. Title to the Goods

All and any Goods delivered to the Customer shall remain the Seller's property until full payment of the purchase price.

The liability for damage of Goods shall pass to the Buyer by reception of the Goods or by the handover of the Goods to the forwarder.

If, for the delivery to be performed, the Customer has handed over rollers or sleeves to the Seller to perform adaptations, the Seller may withhold such Customer's rollers, until the Customer has paid all due commitments to the Seller.

8. Complaints, liability for defects

All and any claims from defects require, among other things, that the Customer meets the Customer's contractual obligations, particularly that the Customer provides the necessary cooperation to the Seller, handles

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the subject of order properly and in a manner usual for the given type of Goods or in compliance with special instructions imparted and that the Customer does not make or has not made any inadequate adaptations or changes on the subject of order (partition, etc.).

The Seller shall be liable only for defects that existed at the time of handover already, and the Seller shall not be liable for any defects emerging at the Customer's due to wear and tear during operation, resulting from inadequate or excessive use or use on inadequate devices or emerging after delivery to the Customer due to mechanical, chemical or thermal effects.

If the Customer receives the Goods in damaged package, the Customer must record the extent of damage on the delivery sheet submitted by the forwarder at reception. If any defect caused by transport is detected, the Customer shall communicate such fact to the Seller within 2 days from delivery reception at the latest.

The Customer shall inspect the Goods as soon as possible after reception and reproach any possible defects without unnecessary delay after having had the opportunity to inspect the thing and to detect the defect. A precondition for recognition of the defects claimed by the Customer is the fulfilment of the Customer's inspection and complaint duties by the Customer.

If any defective order is detected and right from defective performance exercised, the Customer shall submit a written report on the defects detected. For obvious defects within a period of 15 days from reception; for hidden defects, the period lasts 15 days from their detection, but not later than one year.

The manner of complaint settlement is decided about by the Seller who may either replace the defective Goods or have them repaired or provide a proportionate discount. The Customer shall provide sufficient time and opportunity for repairs or substitutive delivery.

If any claim for compensation of any property or non-property injury (damage) originates to the Seller or to the Customer or to any other party in connection with the performance of any specifically concluded Purchase Agreement or of any individual delivery, such claim shall be limited (restricted) by the amount corresponding to the maximally charged value of the specific delivery (partial performance) based on which the claim for compensation has been exercised.

9. Call-offs and storage fee

If the Goods announced by the Seller to the Buyer for dispatch are not taken over, the Seller may store the Goods upon expiry of 7 days at the Buyer's cost in adequate manner and charge the storage fee to the Buyer.

If the Customer falls into delay with takeover of any delivery or if the Customer does not meet any other contractual obligation, the Seller may charge to the Customer also potential other extra costs, additionally to the storage fee. If the Buyer does not take over the Goods upon expiry of 1 month from call to takeover, the Seller may withdraw from the Agreement and ask the Buyer to compensate any damage and costs incurred in such way.

That shall not affect the Seller's right to demand that the Buyer takes over the ordered Goods and pays the agreed price.

10. Settlement of disputes

The Parties commit themselves to settle any possible disputes by negotiation first. But if no agreement is reached, any Party may submit the matter to the court for decision. The Czech law shall apply, particularly the relevant provisions of the Civil Code No. 89/2012 Coll. The matter shall be settled at the competent court of the Czech Republic, according to the Seller's registered office.

11. Technical data, documentation, moulds

All and any technical documentation, drawings, moulds and samples shall have confidential character and remain the Seller's property; the same shall apply to copyright.

The Buyer may make use of them only with the Seller's consent.

If the Seller delivers any products performed according to drawings, models or samples handed over by the Buyer, the Buyer shall be liable for preventing any damage of industrial rights of third parties by their production and delivery, or else, the Buyer shall compensate the Seller for any damage incurred.

12. Different items

These Terms and Conditions are made public on the site of LIGUM spol. s r.o. These Business Terms and Conditions shall be observed and enter into effect as from 1.1.2015.

LIGUM spol. s r.o.