

General Terms and Conditions for Supply of Rubber Czech s.r.o. Company Products

I. Introductory Provisions

1. These general terms and conditions:
 - (i) shall govern mutual relationships between the company Rubber Czech s.r.o., Id. No.: 027 86 494, with its registered office at Jílové u Prahy 584, Postcode 254 01, registered in Commercial Register maintained by the Municipal court in Prague, section C, insert 223638 (hereinafter the “**Company**”), as the seller on the one hand and the buyer on the other hand;
 - (ii) shall form integral part of any and all purchase agreements, framework purchase agreements or, as the case may be, other contracts on purchase and sale of the Company products concluded by and between the Company and the buyer (hereinafter the “**Contract**”); and
 - (iii) shall apply to purchase and sale of any and all of the Company products (hereinafter the “**Products**”), unless agreed otherwise in writing.
2. These general terms and conditions shall be interpreted in accordance with a set of international rules INCOTERMS as of the signing date of the Contract.

II. Orders

1. By sending of order to the Company the buyer confirms that he is acquainted with these General Terms and Conditions.
2. Any and all orders of the Products shall become binding on the Company only by written confirmation sent by the Company to the interested party.
3. Should the buyer be interested in changes of confirmed order the costs of these changes shall be borne by the buyer according to calculation submitted by the Company.
4. Order of the Products manufactured wholly or partly by the Company cannot be cancelled.

III. Prices

1. Any and all orders shall be performed in prices valid as of the order date.
2. Prices are exclusive of VAT and are always stated as “ex works” (EXW according to INCOTERMS 2010), whereas the costs on packaging, transportation, changes in prices of material and semi-finished products, and changes in the exchange rate parity are not included.
3. Company reserves the right to charge handling fees to low-volume order. Any order as follows shall be deemed as a low-volume order:
 - a) price of the order does not exceed amount of CZK 20 000 excluding VAT; or
 - b) order contains no more than 1 piece of Products.
4. Should the packaging of the Products be necessary to protect the Products the buyer shall be charged package fee.

IV. Terms of Payment

1. Price of delivery shall be paid by the buyer upon invoice issued by the Company.
2. Should the price be paid in installments and the buyer is in default with any of the installments for more than 30 days, entire price shall become due.
3. Unless the delivery is taken over by the buyer on arranged day, the price shall become due as of the day on which the Company informed the buyer of the fact the delivery is ready for takeover.
4. Unless the price is paid duly and in time, the Company is entitled to interest on late payment. Interest amount shall be specified by valid and effective laws, unless agreed otherwise. On the day of issuance of this General Terms and Conditions the interest on late payment amounts to annual repo rate set forth by Czech National Bank as of the first day of the calendar half-year in which the default occurred, increased by 8 percentage points.
5. Without the consent of the Company the buyer is not entitled to set off any of his receivables against the Company.

V. Terms of Delivery

1. Unless agreed otherwise, delivery of the Products shall be performed “ex works” (EXW).
2. Unless agreed otherwise, delivery in parts is possible.

3. Company is entitled to require the postponing of delivery date provided that confirmed order is changed under article II. paragraph 2 hereof and in case of force majeure under article VIII. hereof.
4. By submitting the delivery to the buyer or to the first carrier the risk of damage passes to the buyer.
5. Unless the delivery is taken over by the buyer within one month from arranged date, the Company is entitled to sell the products from such delivery for the best price achievable and use the proceeds to set off his receivables against the buyer.
6. Together with the delivery of the Products the Company shall provide the buyer with all handbooks and materials containing guidelines for proper storage, installation and handling with the Products.
7. Upon request of the buyer the Company shall also provide, together with the delivery of the Products, appropriate Attentions, Approvals and Certificates, whereas such documents (as extra part of the delivery) shall be paid by the buyer under the price list of the Company valid as of the date of order.

VI. Reservation of Title

1. Unless the price of the Products is paid up in full by the buyer, the Company is the owner of the products, whereas this fact shall not affect transfer of risk of damage under article V. paragraph 4. hereabove.

VII. Quality Guarantee, Guarantee Claims

1. Unless agreed otherwise, the Company shall provide quality guarantee for delivered Products for period of six months commencing on the date of takeover of the delivery by the buyer.
2. Buyer is aware that any storage, installation or handling with the Products contradicting instructions of the Company may cause the damage of the Products and the Company is not liable for defects caused by such inappropriate use. To avoid any misunderstandings the Company presents that any and all interventions to production label of the Product (*e.g.* mechanical destruction, overwriting, overlapping, removal *etc.*) shall be deemed as such inappropriate use of the Products.
3. Buyer shall file a complaint of the Product by the Company without undue delay after the defect is discovered. Together with filing complaint the buyer shall prove proper storage, assembly, installation, putting into operation and maintenance of the Products in accordance with instructions of the Company for operation and maintenance.
4. The Company shall assess the complaint no later than 30 days from its filing and shall rectify defects covered by guarantee by repair or exchange according to consideration of the Company.
5. The Company is not liable for damages of the Products caused by their transportation after the risk of damage passed to the buyer under article V. paragraph 4. hereabove.

VIII. Force Majeure

1. The Company is not liable for delay of the delivery or other breach of the Contract resulting from extraordinary unforeseeable and insurmountable obstacles incurred beyond its control (*e.g.* war, natural disaster *etc.*).
2. Should the circumstances of Force Majeure occur period for the delivery of the Products set forth in the Contract shall be extended for the period of duration of such circumstances. Delivery of the Products within such extended period is deemed to be in time.
3. Without undue delay the Company shall inform the buyer of the Force Majeure circumstances.
4. Should the Force Majeure circumstances preventing the fulfillment of the Contract last for more than 60 days either party may withdraw from the Contract.

IX. Final Provisions

1. All rights and obligations of contracting parties arising from the Contract and these General Terms and Conditions shall be governed by law of Czech Republic.
2. Disputes arising from the Contract and these General Terms and Conditions shall be resolved by respective courts of Czech Republic.
3. These General Terms and Conditions may be amended by the Company and are available at its registered office or, as a document at www.rubberczech.com.