

General Terms and Conditions of Business of the company BEXIM PALETTEN

**General Terms and Conditions of Business of the company BEXIM PALETTEN s.r.o.,
Company ID: 253 38 331, with its registered seat Příkop 843/4, Zábřovice, 602 00 Brno,
Czech Republic**

I. Initial Stipulations

1. *The General Terms and Conditions of Business (hereinafter referred to as „GTCB“) govern mutual rights and obligations by and between the company BEXIM PALETTEN s.r.o. (hereinafter referred to as „Supplier“) and other parties (hereinafter referred to as „Customer“).*

2. *Divergent stipulations of contracts concluded by and between the company BEXIM PALETTEN s.r.o. and other parties prevail over the GTCB. The GTCB make an integral part of all and any Supplier's acts. By concluding a contract (contract of purchase, contract of work, respectively some other contract) referring to GTCB, all of the contracting parties consider the GTCB to make an integral part of the contract being concluded.*

II. Conclusion of a contract

1. *A contract is concluded at the moment of the parties to agree on its contents.*

2. *The basic document for conclusion of a contract is the price offer sent by the Supplier on the basis of Customer's demand specifying the requirements related to fulfilment. The Customer issues an order based on the price offer. The contract is concluded at the moment of the Supplier to confirm the order. The order confirmation must be done in written form, by post or e-mail, or possibly by personal delivery. The contract may be changed or possibly cancelled only with Supplier's express written consent. The Supplier is always entitled for the Customer to compensate all and any costs of the Supplier regarding realization of the ordered fulfilment, up to the sum of total agreed price.*

3. *The Supplier herewith excludes possibility of accepting an order with an amendment or variation. The Supplier considers any proposal of changes, amendments or variations from the Customer's side to be a suggestion of further negotiations regarding the contents of the contract being concluded.*

4. *The Supplier considers the results of negotiations preceding the contract conclusion to be null and void. The Supplier reserves the right to terminate negotiations on contract conclusion at any time and due to any reason, while stating the reason or not. Application of stipulation § 1729 NOZ (New Civil Code) is excluded.*

5. *Business terms – mainly the purchase terms, buying terms, orders, delivery terms, purchase regulations, etc - of Customers with different wording compared to the GTCB are*

excluded and they are considered to be not-binding for any contractual relation with the Supplier.

6. In case of construction arranged by the Supplier, the blueprints, drawings, weight and dimension data are decisive only approximately, mainly if not being confirmed by the Supplier

is a specific case. Construction changes are reserved. The Supplier reserves the ownership rights and copyright in relation to costs calculations, drawings and similar materials within the scope of offer negotiations and these may not be made accessible to third persons and they are the private property of the Supplier.

7. The Customer is obliged to arrange in time for the Supplier to know and have available all and any data and circumstances needed for appropriate fulfilment of Supplier's obligations.

8. The Supplier's fulfilment will be performed and delivered in agreed quality and pursuant to possibilities corresponding with appropriate production technologies of the Supplier.

9. In case of the business case to be subject to any customs, export, local and other regulations, including international regulations, e.g. on export control, etc., the Customer is obliged to inform the Supplier about them in detail before the contract conclusion; the Customer is responsible for damage caused by non-fulfilment of the above stated obligation.

III. Subject of Fulfilment

1. The subject of fulfilment is specified in a contract concluded by and between the Supplier and the Customer, resp. in Customer's binding order confirmed by the Supplier.

2. The contract on delivery of an object that is only to be manufactured is the contract of purchase, unless the Customer undertook to hand over to the Supplier a significant part of what is needed for the object manufacture. In such a case the parties conclude a contract of work. A contract of work is also considered to be the contract, based on which a major part of Supplier's fulfilment consists of performance of an activity.

3. The Supplier meets the obligation of handing the fulfilment over to the Customer in case of allowing the Customer to handle the subject of fulfilment in the Supplier's headquarters and in case of announcing the fact to the Customer. If the Supplier's obligation to dispatch the subject of fulfilment is agreed in a specific case, then the Supplier's obligation to hand over the subject of fulfilment is fulfilled at the moment of passing the subject of fulfilment to the first carrier for transport to the Customer.

4. The Supplier is obliged to perform the fulfilment on medium quality level.

5. In case of the Supplier to supply more quantity than agreed, the contract of purchase is concluded even for the surplus quantity, unless Customer refused it without unnecessary delay.

6. The Supplier will hand over the documents needed for take over and use of the subject of fulfilment to the Customer in the term after payment of the price for the subject of fulfilment by the Customer, without any unnecessary delay.

7. A cardboard package, palette, etc. is considered to be a standard package of the subject of fulfilment.

8. The Customer undertakes to provide necessary co-operation in work performance. The Customer is obliged to pass to the Supplier the things that the Customer must arrange for the work performance as well as any possible elaborated project documentation in contractually agreed term or after the contract conclusion without any unnecessary delay.

9. In case of the Customer not to arrange the things in time, the delivery term will automatically prolong in necessary term, depending on current production capacities and possibilities of the Supplier.

10. In case of the Customer not to provide the things in time, the Supplier may provide him with appropriate additional term, after the vain expiration of which the Supplier may arrange the things by himself, to the Customer's account. The Customer is obliged to pay the price of such obtained things and costs purposefully spent on their arrangement without unnecessary delay after being requested by the Supplier, otherwise he is responsible for the damage occurred in this way.

11. The Supplier is not responsible for damages caused by wrongly communicated data, respectively by data that are necessary for appropriate work performance and that were not communicated by the Customer.

12. In case of the work to be performed on the basis of documentation supplied by the Customer, the Supplier is not responsible for possible variation of the work produced on the basis of the documentation from real needs of the Customer.

13. The Supplier is obliged to notify the Customer without unnecessary delay on unsuitable characteristics of thing provided to him by the Customer for the purpose of the works performance or instruction issued by the Customer. This does not apply in case when the Supplier was not able to discover the unsuitability regardless exerting all and any necessary care.

IV. Prices and Payment Terms

1. The price is understood to be the price without transport costs of the subject of fulfilment and without value added tax in statutory sum, unless it is expressly agreed otherwise in the specific business case.

2. It is agreed for the price to be due in 30 days as from the date of fulfilment of Supplier's obligation to supply the subject of fulfilment (article III. para 3 GTCB).

3. In case of non-fulfilment of the actual term of payment, the Customer is obliged to pay the punitive interest, which is agreed to be 0,10 % for each even started day of delay in payment. The Supplier's right to payment of punitive interest does not exclude or limit the Supplier's right to compensation of damage caused by non-fulfilment of a financial debt.

4. It is not allowed to hold back payments or to set them off against possible counter-claims of the Customer, not approved by the Supplier (BEXIM PALETTEN s.r.o.).

5. *Application of any discounts for preliminary payment is excluded.*

6. *In case of the Customer not to meet agreed obligations including payment terms, the Supplier is always entitled to unilaterally refuse the delivery of the subject of the fulfilment up to the moment of obligation fulfilment by the Customer. The term of delivery of the subject of fulfilment by the Supplier is automatically prolonged in the term of duration of Customer's delay. Simultaneously, the Supplier is entitled to compensation of damage caused by nonfulfilment of the obligation by the Customer.*

7. *In case of repeated fulfilment for the same Customer, the Supplier is entitled – should the Customer not to meet the agreed obligations including payment terms in previous case – to unilaterally refuse the delivery of fulfilment in other deals up to the term of the obligation fulfilment by the Customer. The term for delivery of fulfilment from the Supplier's side is automatically prolonged even in these cases in the term of Customer's delay. Simultaneously, the Supplier is entitled to compensation of damage developed due to nonfulfilment of Customer's obligation. In such a case, the Supplier is entitled to withdraw from the contracts concluded regarding other deals.*

V. Delivery Terms

1. *The delivery term starts to run as from the date of the contract conclusion, but not before explanation of all and any technical and business details related mainly to provision of all the materials, approvals, licences, etc. The delivery term is also fulfilled in case that readiness of the fulfilment for dispatching will be announced to the Customer in the course of the delivery term.*

2. *The delivery term will be appropriately prolonged in case of occurrence of unforeseeable circumstances out of the will of the Supplier and his sub-suppliers. An unforeseeable circumstance is supposed to include inter alia the circumstances of force major that cannot be diverted by the Supplier not even with appropriate care, e.g. war, currency – political and business – political or other measures of force major, internal disturbances, natural powers, fire, strikes, lockouts, and also unavoidable non-delivery of input material, transport and enterprise failures and other cases of e.g. failures of technologies, etc., making fulfilment of the contract by the Supplier endangered, complicated or impossible. In such cases, the Supplier is entitled to withdraw from the contract without of any damage compensation guarantee.*

3. *Partial and preliminary supplies are allowed in case of the contracting parties to agree so in written form.*

4. *Any claims to compensation of damage caused by a delay on the side of the Supplier are excluded.*

5. *The Customer is in a delay in case of non-accepting an appropriately offered fulfilment or non-providing co-operation to the Supplier as needed for the obligation fulfilment. For the whole time of his delay, the Customer bears the risk of damage of the subject of fulfilment, whatever the cause of the damage is. The Customer is obliged to pay the price of the fulfilment. The subject of fulfilment will be stored at the expense of the Customer.*

6. In case of a delay in fulfilment, the Customer will provide the Supplier with an appropriate additional term. In case of the Supplier's delay to reach more than 7 days, the Customer is

entitled to charge to the Supplier a contractual fine in the sum of 0,10% per day of the late delivered fulfilment according to the contract or a part of it.

VI. Attachment of the risk of damage, ownership right reservation

1. The risk of damage of the subject of fulfilment passes to the Customer at the moment when he takes over the fulfilment from the Supplier or at the moment when the Supplier allows him to handle the fulfilment and the Customer breaches the contract by not taking the fulfilment over (article III. para 3 GTCB).

2. The Customer will accept the fulfilment provided, even though it shows some faults, while his rights according to article VII. GTCB will remain unaffected.

3. If it is agreed in an individual case that the Supplier's obligation includes even realization of transport of the subject of fulfilment by the transport means of the Supplier, the damages suffered in the course of transport and missing quantity of the subject of fulfilment will be established and proved in written in the presence of the carrier – otherwise they are inadmissible.

4. In case of refusing the takeover of the fulfilment, all the costs and damages will be at the expenses of the Customer, who refused the takeover. Return of fulfilment must be approved by the Supplier in written form in advance.

5. The Supplier reserves the ownership right to the subject of fulfilment, that means that the Customer will become the owner of the subject of fulfilment only after full payment of the price.

6. The Customer mustn't burden the subject of fulfilment in any way or let it for burden. In case of any their person to handle the subject of fulfilment, the Customer is obliged to inform the Supplier about it in written form immediately. The Customer is responsible for damage caused by breach of the above stated obligation.

7. The Customer mustn't resell the goods that are a subject of the ownership reservation, he may use it only within the ordinary frame of his business activities; he is not entitle to adjust or modify it in any way, to wear it significantly out or to deteriorate it in any other way.

8. Any processing and handling of the fulfilment which is a subject of the ownership reservation will be performed for the Supplier without any costs at his expense. In case of the Customer to process or mix the fulfilment with any other goods, etc. not being the property of the Supplier, the Customer does not obtain ownership right to Supplier's shares in the delivery.

9. In case of Customer's delay with payment of the price for the fulfilment, the Supplier is entitled to take back the fulfilment and the Customer is obliged to give back the subject of fulfilment at any time on Supplier's request.

VII. Faults of the Subject of Fulfilment

- 1. Unless agreed otherwise, the faults of the subject of fulfilment must be applied at the Supplier without unnecessary delay after takeover of the fulfilment.*
- 2. Any possible claims from faults of fulfilment will be solved in compliance with valid legal regulations.*

VIII. Intellectual Property Confidentiality

- 1. All the drawings and specifications prepared by the Supplier in connection with the price offer or those related to appearance and production of the product, are in the Supplier's ownership. The Customer will not use the ownership in any other way, but as necessary for the price offer assessment or in connection with the product use. The Customer will not provide the Supplier's ownership to third persons without Supplier's written consent, except for cases when it is necessary in connection with assemblage, operation, repair and maintenance of the product after its delivery to the Customer. The Customer may make the ownership accessibly only to employees who need it for their work. The Customer may create just a minimal number of copies as necessary for the price offer assessment or for the product use after its delivery. All and any notes on ownership and copyrights as contained in the original, must also be added to the copies and partial copies. The Customer will protect the confidentiality of information with at least such care that he dedicates to protection and security of his own confidential and protected information, but never with less than appropriate care. The Customer will arrange appropriate protection and procedures for protection against theft, loss or distribution of the Supplier's ownership and in case of such a theft, loss or distribution to occur, he is obliged to inform the Supplier about it immediately. In case of the Customer not to conclude the contract with the Supplier, he is obliged to return all the copies to the Supplier immediately.*
- 2. The Customer agrees that financial compensation of damage is not sufficient correction of breach of his obligation to protect the confidentiality of Supplier's ownership and that the Supplier will be entitled to compensation of even non-property damage and application of all and any other measures in compliance with valid legal regulations.*

IX. Final Stipulations

- 1. In case of any dispute developed between the contracting parties, the parties agreed to solve it preferably in an amicable way.*
- 2. There is agreed a one-year prescription period for all the claims towards the Supplier.*
- 3. Legal relations that are not expressly governed by the Contract and the GTCB are subject to application of stipulations of generally binding legal regulations, mainly Act No. 89/2012 Coll., Civil Code.*

4. *Supplier's responsibility towards the Customer in connection with any claim(s) is limited to real damage suffered by the Customer and only in the sum equal to the summary price of the subject of fulfilment, in connection with which the claim is applied, regardless the fact whether the responsibility emerges from the Contract or from breach of statutory obligation or in any other way. The limitations specified in this stipulation are not applied to the extent as expressly prohibited by mandatory legal stipulations.*

5. *All and any changes or amendments to the GTCB can be done only in written form.*

6. *In case of any of the GTCB stipulations to be invalid, opposed or unenforceable or if it becomes so in the future, this will not affect the validity respectively enforceability of other stipulations, unless the character or contents or circumstances of such a stipulation development by the Supplier indicate that the part cannot be separated from the remaining contents. For such a case, the contracting parties undertake to immediately replace the faulty stipulation with a faultless one, corresponding with the contents and purpose of the original stipulation to the maximal possible extent.*

7. *The company BEXIM PALETTEN s.r.o. is entitled to perform changes or modifications of the GTCB. The company BEXIM PALETTEN s.r.o. will notify the contractual partners of such change through its web sites at www.beximpaletten.cz, always well in advance. In case of the contractual partner not to communicate to the company BEXIM PALETTEN s.r.o. his disagreement with the wording of changed or modified GTCB in written form at least 10 days before the efficiency date of the GTCB change or modification, such a change will be considered to be approved by the other contracting party and it will be efficient in relation to the other contracting party as from the date of the GTCB change. The contracting partner is entitled to refuse the changes and to withdraw from his obligations due to that reason in the notice period of two months. The notice period starts to run in the month following the month of depositing. In case of the contractual partner to apply the deposition, he is obliged to compensate to the company BEXIM PALETTEN s.r.o. costs connected with fulfilment realization according to the contract up to the moment of the notice period expiration, all of that without unnecessary delay.*

8. *The legal relations by and between the Supplier and the Customer are exclusively subject to the law applicable in Supplier's headquarters, i.e. Czech law, there is agreed territorial jurisdiction for the District Court Brno – City (Okresní soud Brno-venkov). Application of the UNO Convention on contracts on international purchase of goods, so called Vienna Convention, published under No. 160/1991 Coll., is excluded.*

9. *An acceptable language for the Customer and the Supplier is Czech language or English language. Acts, conditions and other agreements including information supplied in any other language are not binding for the Supplier.*

10. *The GTCB published in current version at www.beximpaletten.cz enter into validity and efficiency as from 12.10.2017. Valid as from 12.10.2017, Ing. Miroslav Dohnal, Executive manager.*