

## **General Business Terms and Conditions**

The following provisions regulate the business relationships entered into between PEaPE METAL, s.r.o., Company ID No. 25580272, having its registered office in Mikulovice u Znojma 247, Postal Code 671 33 (hereinafter referred to as the "Seller"), and its business partners (hereinafter referred to as the "Purchasers") when purchasing goods from the product range of PEaPE METAL, s.r.o., where the specific type, amount, and price of the requested goods shall be always specified in the Purchaser's respective order. These business relationships are also regulated by the Commercial Code, in particular the provisions of Section 273 therein, and the purchase contract. References in the purchase contract to the General Business Terms and Conditions (hereinafter referred to as the "GBTC") mean to these General Business Terms and Conditions.

### **I. Subject of the Terms and Conditions**

1.1. The Seller shall deliver goods from its product range (hereinafter referred to as the "Range") to the Purchaser based on the Purchaser's respective orders confirmed by the Seller, and the Purchaser undertakes to accept the ordered goods and pay the agreed purchase price for them.

1.2. These GBTC will be regarded as fully acceptable by the Purchaser upon the Purchaser's signature, and they apply to all purchase contracts concluded after the GBTC are signed.

### **II. Orders – Acceptance**

2.1. The Purchaser is obliged to place orders for goods exclusively in writing, namely by fax to the Seller's fax number stated above, by e-mail to the e-mail address stated above, or by registered mail sent to the Seller.

2.2. Orders sent by telephone or in any form other than that stated in the previous paragraph of this agreement are not regarded as having been properly made and shall not be accepted.

2.3. Each order shall contain at minimum:

- the business names, registered offices, and company ID numbers of the Seller and the Purchaser,
- a precise and unambiguous specification of the goods,
- the number of items or, as the case may be, weight designation,
- the requested delivery date,
- the date and the name, surname, and signature of the person placing the order on behalf of the Purchaser.

2.4. The purchase contract is concluded on the day the Purchaser receives confirmation of the order from the Seller according to the method agreed in paragraph 2.1 of this Article and the Purchaser confirms the validity of these GBTC in writing. GBTC that have been confirmed once in writing need not be reconfirmed subsequently and apply to all purchase contracts concluded thereafter.

### **III. Delivery Terms and Conditions**

3.1. The Seller undertakes to deliver goods to the Purchaser based on a concluded purchase contract.

3.2. The place of delivery is the Seller's facility. Goods are delivered when they are handed over to the first carrier. The risk of damage to the goods pursuant to the provisions of Section 445 of the Commercial Code is also transferred to the Purchaser at said time. Transportation costs are paid by the Purchaser.

3.3. The Seller shall at its own expense provide the goods with packaging that is adequate in consideration of the transport method.

3.4. The consignment also includes a bill of delivery. The Purchaser is obliged to confirm the bill of delivery in writing by including the name, surname, and signature of the person responsible and stamping the bill.

#### **IV. Payment Terms and Conditions**

4.1. Without delay after each delivery of goods, the Seller shall issue for the Purchaser a tax document (invoice) which it will send to the Purchaser. The purchase price is defined in the purchase contract and is payable within 30 days from the invoice's issue date. In case of doubt, the invoice is considered to have been delivered within three days of its handing over for postal delivery.

4.2. Upon receiving an invoice, the Purchaser is obliged immediately to verify the invoiced amount (purchase price) and raise any potential objections with the Seller in writing within 3 working days of receiving the invoice. Otherwise, the Purchaser is considered to have recognized its obligation to pay the purchase price for the goods as invoiced.

4.3. Ownership rights to the goods are transferred to the Purchaser only after complete payment of the purchase price.

4.4. The Purchaser is not entitled unilaterally to offset any potential account receivable from the Seller against the purchase price. Such offsetting will result in the purchase price being regarded as unpaid and with all consequences ensuing therefrom. The purchase price must be paid in money.

#### **V. Liability for Defects**

5.1. The Purchaser is obliged to inspect the goods immediately upon acceptance. The Purchaser is obliged to note any defects in the goods to the Seller in writing immediately after accepting the goods, and in no case later than seven days from accepting the goods. Otherwise, the Purchaser's claim in relation to defective goods terminates.

5.2. Notification of defects in the goods must contain the name of the goods according to the order, reference to the order number for said goods, and a complete description of the noted defects. Notification of defects carried out in any other manner is not regarded as proper and does not constitute a claim by the Purchaser in relation to the Seller. If sending the goods or their part to the Seller is necessary to repair the defects, the Purchaser does so at its own expense.

5.3. In case of justly noted defects, any repairable defects in the goods shall be repaired without delay, or alternatively the Seller reserves the right to deliver replacement goods. In case of irreparable defects, the Purchaser is entitled to exchange the goods for replacement goods.

## **VI. Contractual Penalties**

6.1. In case of default in paying the purchase price, the Purchaser is obliged to pay the Seller default interest of 0.05% of the amount due for each day that the Purchaser is in default.

6.2. In case of default longer than one month, the default interest is increased to 0.1% of the amount due for each day in default.

6.3. In addition to the above, in case of default in paying the purchase price the Seller is entitled to cease other deliveries which it undertook by contract, and/or is entitled to request payments for other deliveries in cash, and/or is entitled to withdraw from the respective purchase contract and other concluded purchase contracts, and/or is entitled to postpone the repair of potential defects until the Purchaser meets its obligation to pay the monetary obligation.

6.4. For the duration of ceasing deliveries due to the Purchaser's non-payment, the Seller shall not be in default.

6.5. In addition to the agreed contractual penalties, the Seller is entitled to reimbursement for damages incurred.

## **VII. Arbitration Clause**

7.1. All disputes arising concerning purchase contracts concluded pursuant to these GBTC will be conclusively resolved without resort to the general courts at the Arbitration Court attached to the Czech Chamber of Commerce and the Agricultural Chamber of the Czech Republic in Prague by three arbiters appointed pursuant to the valid arbitration code of the arbitration court stated above.

7.2. The seat of arbitration shall be the City of Brno.

7.3. The contracting parties undertake to fulfil the obligations established for them in the arbitration award by the deadlines stated therein and potentially also to undergo distraint pursuant to said ordered arbitration award. The arbitration award shall have final effect.

## **VIII. Common and Final Provisions**

8.1. If for any reason any provision of these GBTC is judged by a court, financial authority, or other competent body to be invalid, ineffective, or unenforceable, said provision shall not affect the validity, effectiveness, and enforceability of the remaining provisions.

8.2. Provisions of a concluded individual purchase contract at variance with these terms and conditions take precedence over these GBTC.

8.3. These GBTC form an integral part of each purchase contract.

8.4. The legal relationships not expressly governed by these GBTC or the concluded individual purchase contract are governed by the regulations under the **Commercial Code**.

8.5. Any change to these GBTC must be executed in writing and with the consent of the Purchaser.

8.6. These GBTC were issued on 1 January 2009.

8.7. The Purchaser agrees that the Seller may send offers for goods and services through e-mail messages and by post.