

# AUMA General Delivery Conditions

## I. General provisions

1.1. These General Delivery Conditions (hereinafter the “**GDC**”) are business terms in the meaning of Section 1751 of Act No. 89/2012 Coll., Civil Code (hereinafter the “**Civil Code**”), and regulate the legal relationship between AUMA - Servopohony spol. s r.o., registered office at Boleslavská 1467, 250 01 Brandýs nad Labem-Stará Boleslav, ID Number 48953814, Tax ID Number CZ48953814 (hereinafter the “**Seller**”), and its business partners (hereinafter the “**Buyer**”), including pre-contractual negotiations.

1.2. These GDC form an integral part of all contracts and agreements, the subject of which is the sale of goods and which are concluded between the Seller and the Buyer (hereinafter the “**Contract**”).

1.3. The content of the Contracts and all negotiations between the Seller and Buyer conducted for the purpose of arranging the specific terms of the Contract, as well as any other acts of the Seller conducted within the contracting process vis-à-vis the Buyer, must be interpreted in accordance with these GDC.

## II. Contracting

2.1. The Contract must be concluded in written form. The Contract is concluded at the moment of its signing by both contractual parties. The only person authorised to conclude the Contract on behalf of the Seller is the Seller’s executive; the conduct of other persons is of an informative nature only.

2.2. Acceptance of the offer to conclude a Contract with an amendment or discrepancy from the Buyer is precluded and any expression of the Buyer’s will that contains additions, objections, reservations or any changes constitutes the rejection of the offer and is considered to be a new offer for conclusion of the Contract.

2.3. Unless the contractual parties agree otherwise, in the case of remote conclusion of the Contract the Buyer is obliged to deliver the original of the undersigned document to the Seller without undue delay. If it fails to do so even upon prior request from the Seller, the Seller is authorised to withdraw from the Contract.

## III. Subject of fulfilment

The Seller undertakes to deliver the goods to the Buyer in the agreed make, quality and quantity based on the attached purchase Contract. The Buyer undertakes duly and punctually to take over the goods based on the Contract and pay the Seller the agreed purchase price.

## IV. Purchase price and invoicing

4.1. The purchase price is generally set out in the Contract. If the purchase price is not set out in the Contract, it will be determined according to the Seller’s pricelist valid as at the date of concluding the Contract.

4.2. Unless stated otherwise in the Contract, the purchase price is due always after delivery of the goods to the Buyer, based on an invoice issued by the Seller.

4.3. In the invoice, the Seller will indicate the name corresponding to its trade authorisation, identification number, place of business, data about the Contract, data about the date of fulfilment, data about maturity, data about taxable fulfilment, data about the delivered goods with indication of the number of units of goods and the unit price, and indication of the total price.

4.4. The Seller as a value added tax payer will add value added tax to the invoiced price according to the valid legal regulations.

4.5. If the invoice does not contain all the mandatory requirements of a tax document, the Buyer is authorised to return it (i.e. send it back) to the

Seller at latest within 10 business days. In this case, the Seller will issue a new invoice with a new maturity date, and the Seller is not in delay in payment of the invoice until the passing of the new maturity date.

4.6. The maturity of invoices is 30 days from its issue date, unless stipulated otherwise in the Contract.

4.7. Section 1933(1) of the Civil Code will not be applied to the legal relationships governed by these GDC. If the Buyer owes the Seller fulfilment of the same type from several liabilities and does not designate which debt it is fulfilling during fulfilment, fulfilment will be offset first against the least secured liability. If several liabilities have the same degree of security, fulfilment will be offset first against the liability that is mature earliest.

## V. Time and place of delivery

5.1. The time and place of delivery are set out in the Contract. If the place of delivery is not set out in the Contract, EXW carriage parity from the production factory will apply according to the Incoterms 2010 delivery conditions.

5.2. Unforeseeable and unavoidable incidents (force majeure, strikes, etc.) extend the delivery deadline by the period of duration of such outages and their consequences. Compensation for damages is precluded in these cases.

5.3. Delivery of the goods to the Buyer is conditioned by the fact that the Seller has no receivables past maturity towards the Buyer, including receivables from previously performed deliveries of goods, other orders or other business relations. Throughout the duration of the Buyer’s delay in payment of outstanding receivables to the Seller, the Seller is not in delay in delivering the goods, and the agreed delivery deadline is extended by the period corresponding to the Buyer’s aforementioned delay. If the provision of advance payment(s) is stipulated in the Contract, the Seller is not obliged to deliver the goods to the Buyer until such payment(s) has been made.

## VI. Delivery of goods

6.1. Unless stipulated otherwise in the Contract, the Seller fulfils its obligation to deliver the goods if it allows the Buyer to handle the goods at the place of fulfilment at the agreed time. The Buyer is obliged to take over the goods at the agreed place and time.

6.2. If the Seller is ensuring transportation of the goods, it fulfils its obligation to deliver the goods to the Buyer upon their handover to the first carrier for transportation to the Buyer.

6.3. During takeover of the goods, the Buyer is obliged to confirm the delivery note / bill of carriage.

6.4. The Buyer is obliged to check the condition of the consignment with the carrier immediately upon takeover of the goods (number of packages, sound condition of the packaging tape, damage to boxes, etc.) according to the attached bill of carriage.

6.5. The Buyer is authorised to refuse to take over a consignment that does not comply with the bill of carriage, in that the consignment is incomplete or damaged. If the Buyer does take over the damaged consignment from the carrier, the damage must be described in the carrier’s handover protocol.

6.6. The Buyer is obliged to report the incomplete or damaged consignment to the Seller and carrier immediately, compile a damage report with the carrier and sent it without undue delay to the Seller via fax, e-mail or post.

6.7. Partial deliveries of goods pertaining to one purchase contract must be mutually approved in writing.

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## VII. Quality warranty and warranty conditions

7.1. Unless stipulated otherwise in the Contract, the Seller provides a quality warranty of 24 (twenty-four) months (hereinafter the “**warranty period**”). The warranty period starts from delivery of the goods to the Buyer, whereas Section 2115 of the Civil Code will not be applied to the legal relationships governed by these GDC. The receipt of purchase serves as the warranty certificate.

7.2. The warranty applies to defects in material, functional defects or defects during the production of goods (hereinafter “**warranty defects**”). The Buyer has the rights from the warranty only under the condition that after transfer of the risk of damage to the goods: (i) the goods were duly tuned, (ii) operation and regular maintenance of the goods was carried out according to the instructions for assembly, tuning and maintenance. The warranty does not apply to defects caused by improper operation, inexpert or inappropriate handling, use and installation, which are contrary to the user handbook, or damage by electrostatic discharge. The warranty does not apply to damage to the goods that resulted in excessive mechanical wear or use contrary to the manufacturer's instructions.

## VIII. Liability for defects

8.1. The Seller is obliged to deliver the goods to the Buyer in the agreed quantity, quality and make, free of legal defects.

8.2. The Buyer's right from defective fulfilment is established by a defect existing in the goods during transfer of the risk of damage to the goods to the Buyer, even if it appears at a later time.

8.3. If the defective fulfilment (defect/warranty defect) is a severe violation of the Contract, the Buyer has the right:

- a) to removal of the defect by delivery of new goods without defects or delivery of the missing items;
- b) to removal of the defect by repair of the item;
- c) to a reasonable discount on the purchase price; or
- d) to withdraw from the Contract

8.4. If the defective fulfilment (defect/warranty defect) is not a severe violation of the Contract, the Buyer has the right to removal of the defect or to a reasonable discount on the purchase price.

## IX. Claiming defects

9.1. The Buyer is obliged duly to report the defect to the Seller without undue delay after it was able to find it given timely inspection and sufficient care, but at latest within 5 (five) business days after delivery of the goods to the Buyer or, if the goods were sent to the Buyer, from the date of delivery of the goods to the destination. The Buyer's right to claim defective fulfilment expires upon the vain passing of this deadline.

9.2. If the defect is a hidden defect, the Buyer is obliged duly to report it to the Seller within 3 (three) days from the day when it could have discovered such defect given sufficient care. A hidden defect does not include in particular the delivery of a different type and/or quantity of goods or defective fulfilment consisting missing goods.

9.3. The Buyer is obliged duly to report warranty defects to the Seller within 3 (three) days from the date when it could have discovered such defect given sufficient care, but at latest before expiry of the warranty period.

9.4. The defect/warranty defect is duly reported by the Buyer to the Seller if it was reported in writing and the notice contains (i) a description of how the defect is manifested, and (ii) indication of which right the Buyer applies from defective fulfilment.

9.5. The Seller is obliged to commence handling of the claim (reported defect/warranty defect) without undue delay, at latest within 5 (five)

business days from delivery of the notice, and as a rule to state whether it acknowledges the claim or, if it does not acknowledge it, the reason for its decision.

9.6. The fact that the goods are defective does not affect the Buyer's obligation duly and punctually to pay the purchase price. The provisions of Section 2108 of the Civil Code do not apply to the legal relationships governed by these GDC.

## X. Contractual fines and compensation of damages

10.1. If the Seller delivers the contracted goods to the Buyer with delay, or delivers them with defects, the Buyer has the right to demand a contractual fine of 0.05% of the purchase price for every day of delay in the case of delayed delivery of goods. In the case of delivery of defective goods, the Buyer has the right to demand a contractual fine of 0.05% of the purchase price for each started day of delay until the time of delivery of flawless goods, but maximally up to 10 (ten) % of the purchase price.

10.2. In the case of the Buyer's delay in paying the purchase price, the Buyer is obliged to pay the Seller a contractual fine of 0.05% of the owed amount for every started day of delay.

10.3. Liability for damages and its compensation is governed by the respective provisions of the Civil Code.

10.4. The provisions on contractual fines do not affect the right of the affected party to compensation of damages in full.

10.5. The total scope of the Seller's liability for damages incurred by the Buyer in consequence of violating the obligations stipulated by this Contract or the purchase contract or for violating legal regulations is limited to the value of 100 (one hundred) % of the purchase price of the goods (excluding VAT), for all damage claims in total. The contractual parties agree that only real damage will be compensated. Lost profit or other types of damage will not be compensated.

## XI. Ownership of the goods

11.1. Ownership of the goods is transferred from the Seller to the Buyer upon full payment of the purchase price for the goods, when the amount is credited to the Seller's bank account. Until then, the goods must not be used for resale to a third party and must not be technically or commercially handled. At any time upon request from the Seller, the Buyer will check the condition of the goods which are still the property of the Seller according to this provision.

11.2. The risk of damage is transferred to the Buyer upon takeover of the goods. The same consequence arises if the Buyer does not take over the goods, even though the Seller made them available to the Buyer. If the Seller hands over the goods to a carrier for transportation to the Buyer, the risk of damage is transferred immediately upon handover of the goods to the first carrier.

11.3. The Buyer is obliged to inform the Seller immediately of any imposed seizure of goods with the reservation of ownership, and to submit the documents required to apply an exclusionary lawsuit.

11.4. Default on payment, a petition or commencement of insolvency proceedings, court or out-of-court settlement proceedings terminate the right to resale, use or installation of goods with the reservation of ownership.

## XII. Withdrawal from the Contract

12.1. Withdrawal from the Contract is possible if agreed in the Contract, these GDC or if stipulated by law.

12.2. The Seller is authorised to withdraw from the Contract:

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- if the Buyer delays in taking over the goods by more than 10 (ten) days;
- if the Buyer delays in any payment vis-à-vis the Seller from the title of a different liability.

14.4. These General Delivery Conditions are valid from 1 January 2014.

### XIII. Miscellaneous provisions

13.1. All information about the enterprise, organisation structure or other internal organisation or mechanisms of the other contractual party, which the parties provided in relation to negotiations on the conclusion of this Contract and during the conclusion of this Contract, or which they have learned or will learn or become familiar with by other means based on this Contract, as well as information they are aware of about the manner and course of negotiations on the provisions of this Contract and the resulting creation of the provisions of this Contract, are of a confidential nature (hereinafter "Confidential Information") and the contractual parties undertake to protect and ensure the protection of Confidential Information against disclosure to or access by third parties.

13.2. The contractual parties declare that the Confidential Information according to this Contract constitutes a business secret in the meaning of Section 504 of the Civil Code.

13.3. All annexes and parts of the Contract will be considered mutually complementary and/or explanatory. Unless stated otherwise in the Contract, the interpretation of the documents and their order of priority in the case of conflicts between the provisions of the individual documents will be as follows: the Contract, including all the specific conditions incorporated into the Contract, (b) annexes to the Contract, with the exception of these GDC, (c) these GDC, (d) other documents, if applicable.

13.4. The Buyer concludes the Contract with the knowledge that it takes on the risk of a change in circumstances.

13.5. To eliminate any doubts, the contractual parties agree that confirmation of the content of Contract by the Buyer does not have the legal effects according to Section 1757(2) of the Civil Code.

13.6. The provisions of Section 1799 through Section 1800 of the Civil Code will not be applied to the legal relationships governed by these GDC.

### XIV. Final provisions

14.1. All annexes and parts of the Contract will be considered mutually complementary and/or explanatory. Unless stated otherwise in the Contract, the interpretation of the documents and their order of priority in the case of conflict will be as follows: (a) the Contract, including all the specific conditions incorporated into the Contract, (b) annexes to the Contract, with the exception of these GDC, (c) these GDC, (d) other documents, if applicable.

14.2. All legal relations that are not regulated by the Contract are governed by the laws of the Czech Republic, in particular the Civil Code and other legal regulations, with preclusion of the conflict-of-law rules of international private law. If an international element is present, the contractual parties agree on the exclusive jurisdiction of the courts of the Czech Republic for disputes from the Contracts or in relation to these Contracts, including disputes over their validity and the consequences of invalidity, etc., whereas the locally competent court is the Seller's general court.

14.3. All changes to the Contract must be carried out in writing, bearing the signatures of both contractual parties. Inserts, cuts or other changes in the text of these GDC, the Contract or parts thereof are legally effective only under the condition that they were accepted in writing by both parties, with indication of the date of the change and the valid signatures of the representatives of both contractual parties next to such change. Other changes in the text are not taken into account.

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The company is registered at the Municipal Court in Prague, Section C, File 31208