

BIBUS s.r.o. – Terms of Trade for the Sale of Goods

1. Binding Character of the Terms of Trade

- 1.1. Each and every purchase contract (hereinafter also "the Contract") concluded with BIBUS s.r.o., Brno, Videňská, Land Registry No. 204 / House No. 125, postcode: 639 27, company identification no.: 46346635, as a seller (hereinafter also "the Seller"), with any business partner or another consumer as a buyer (hereinafter also "the Buyer") is subject to these Terms of Trade (hereinafter also "the Terms"), unless explicitly agreed otherwise in writing.
- 1.2. The Terms are published in compliance with the provisions of Section 273 of Act No. 513/1991 Coll., Commercial Code, and they regulate the basic terms and conditions of purchase contracts on the delivery of goods and are binding for the regulation of relations between the Seller and the Buyer, unless the Contract contains different provisions. By concluding the Contract, the Buyer agrees to the condition that the Terms become an integral part of the concluded Purchase Contract.

2. Rights and Liabilities of the Parties

- 2.1. Based on the Contract, the Seller undertakes to deliver goods as specified in the Contract to the Buyer with the necessary documents and to transfer the right of ownership to the goods to the Buyer and the Buyer undertakes to accept the goods and pay the purchase price for the goods in the agreed way and in the agreed currency.
- 2.2. The conclusion of the Contract does not bind the Seller to install, assemble and build in the goods or to provide any other similar services.

3. Conclusion of Purchase Contracts

- 3.1. The Contract is concluded in writing and has to be signed by a person authorized to act on behalf of the Buyer. The written form is met when the Contract signed by the authorized person is delivered by fax or electronic mail (as an attachment) or via a data mailbox or data message with an electronic signature.

4. Place, Method and Time of Delivery of Goods, Ownership Reservation

- 4.1. The place of the delivery of the goods is the place designated in the Contract; if the place of delivery is not specified in the Contract, it is to be the seat of the Buyer.
- 4.2. Only the Buyer (a person authorized to act on behalf of the Buyer) is entitled to take over the ordered goods from the Seller or the carrier arranged by the Seller and the Buyer shall confirm the takeover of the goods in writing.
- 4.3. The Seller is entitled to suspend the delivery of the goods to the Buyer if the Buyer is in delay with the payment of any of the Buyer's liabilities towards the Seller until all liabilities have been settled. The Seller will not be in delay with the delivery of the retained goods in this case. The delivery time of such goods starts running again from the date of the payment of the Seller's claim that the Buyer was in delay with.
- 4.4. The Buyer acquires the right of ownership to the goods when the purchase price of the goods has been paid completely. If the purchase price is paid prior to the delivery of the goods, the Buyer acquires the right of ownership to the goods at the moment of the delivery of the goods.

5. Purchase Price and Payment Terms

- 5.1. The Buyer shall pay the purchase price in the currency, by the deadline and method stipulated by the Contract.
- 5.2. The value added tax will be added to the purchase price.
- 5.3. The purchase price does not include transportation costs, postage, cost of transportation packaging, packing charges, handling fee, insurance for the goods in transit or other fees. The Buyer bears all these costs. If the goods are delivered on a pallet, the packing charges will include the pallet and the Seller is not obligated to repurchase the pallet from the Buyer.
- 5.4. The Seller reserves the right to demand an advance payment for the purchase price from the Buyer up to 100% of the agreed purchase price including VAT.

6. Violation of Contractual Liabilities and Consequences

- 6.1. If the Buyer is in delay with the payment of the purchase price or its advance payment, the Parties agree that the Buyer shall pay the Seller interest on overdue payment in the amount of 0.075% of the outstanding amount per each day of delay. The payment of the interest on overdue payment does not affect the Seller's title to compensation of damages in full extent.
- 6.2. The Buyer's delay in any payment exceeding 10 days is considered to be a substantial violation of the Contract.
- 6.3. The Buyer's delay in taking over the goods exceeding 10 days is considered to be a substantial violation of the Contract.
- 6.4. The Buyer shall also pay the Seller for damages incurred in case of the Buyer's delay in taking over the goods.
- 6.5. The Buyer is not entitled to retain a part of or the entire purchase price due to any sales returns or due to any claims towards the Seller.
- 6.6. The Seller is entitled to withdraw from the Contract in case of a substantial violation of the Contract by the Buyer by a written notice with an immediate effect. The withdrawal from the Contract due to the violation of the liabilities in other cases is subject to the provisions of the Commercial Code.

7. Delivery Terms, Transfer of the Risk of Goods Damage

- 7.1. The Seller shall deliver the goods in the agreed time, unless unexpected facts or obstacles that the Seller could not reasonably predict incur; in this case, the delivery time is extended by the period during which such unexpected facts or obstacles endure. The Seller is entitled to deliver the goods anytime in the agreed time, even in parts, and the Buyer shall accept goods delivered in this way.
- 7.2. The goods are delivered to the Buyer at the moment when the Buyer takes the goods over from the Seller or a carrier arranged by the Seller. If the Buyer arranges the transportation of the goods, the goods are considered to be delivered to the Buyer when handed over to the first carrier. The delivery of the goods is usually documented by a delivery note or another document (e.g. contract on transportation, shipping note, postal sheet or invoice) proving that the goods were delivered to the Buyer or to the carrier for shipping.
- 7.3. The risk of occurrence of accidental destruction or damage to the goods is transferred to the Buyer at the moment of the delivery of the goods to the Buyer. The Seller is not liable for damages incurred to the goods during shipping, unless the Seller provides the shipping.
- 7.4. If the goods are delivered by a carrier, the Seller shall mark the goods as a consignment for the Buyer.

8. Liability for Defects and Damages, Guarantee of Quality

- 8.1. The Seller is liable to the Buyer for defects of the goods that the goods have at the moment of the transfer of the risk of goods damage to the Buyer.

- 8.2. The Buyer shall immediately inform the Seller of obvious defects of the goods in writing, however, no later than within 3 days since the Buyer was supposed to detect the defects during the first inspection of the goods with the application of professional care pursuant to the provisions of Section 427, Article 1 and 2 of the Commercial Code.

- 8.3. The Seller has the right to choose the claim of the goods defects.

- 8.4. The Seller provides the Buyer with a guarantee of the quality of goods for the period of 12 months since the delivery of the goods to the Buyer. In particular, the guarantee does not apply to the wear parts of the goods and conduct of the Buyer, such as inappropriate or unauthorized manipulation with the goods or its inappropriate storage, use or operation. The guarantee terms and conditions and procedures for the application of the guarantee are included in the Seller's rules of guarantee, of which the Buyer has been informed and which are published at the Seller's seat and at www.bibus.cz.

- 8.5. The Seller has an insurance policy for the liability of damages caused by the performance of the Seller's activity. The insurance policy will be presented to the Buyer upon request. The Seller and the Buyer shall take any measures necessary for the prevention of damages incurred in relation to the conclusion of the Contract or to minimize the damages incurred. The Seller is solely liable for the real damages incurred to the Buyer by the Seller's violation of the liabilities explicitly stated in these Terms, or in the concluded Contract, under the terms and conditions stipulated by these Terms and in the scope covered by the insurance policy. In case of the occurrence of damage, the Seller shall compensate the Buyer for the damage incurred in relation to the conclusion of the Contract up to the amount equaling the indemnification provided for this reason by the insurance company and the Buyer undertakes to refrain from collecting a higher amount of the compensation of damages from the Seller. The Buyer shall inform the Seller about the occurrence of the liability for damages no later than 14 (fourteen) workdays from the day when the Buyer learns about it. The Seller does not bear any liability for damages if the Buyer departs from the Seller's instructions, if the damage incurs to a third party due to the use of information or goods provided/delivered by the Seller to the Buyer or if the Buyer does not allow the Seller to attempt to prevent the occurrence of the damage or to minimize its scope.

- 8.6. The Buyer's title to the compensation of damages ceases to exist when the Seller has paid the Buyer the contractual fine or another contractual sanction.

- 8.7. The Seller is not liable for indirect, subsequent or accidental damages and loss of profit or for any damages or losses incurred on the basis of contracts concluded between the Buyer and third parties, unless such a liability is covered by the insurance policy according to Item 8.5 of the Terms.

- 8.8. Furthermore, the Seller is not liable for damages incurred to the Buyer due to circumstances excluding liability, such as state interventions, operating, transport and energetic failures, failures of the electronic trade system, strikes or lockouts. Such circumstances are the reason for the postponement of the fulfilment of the contractual liabilities on the part of the Seller for the period and in the scope of the effect of the circumstances. The same applies when the circumstances occur to the Seller's subcontractors.

9. Final Provisions

- 9.1. The Seller reserves the right to amend or supplement the Terms, particularly due to changes in the related laws or due to changes in the method of trading. The Seller shall announce the amendment, supplement and its effect in a suitable way.

- 9.2. The rights, liabilities and legal positions of the Parties of the Purchase Contract are subject to the Czech legal order, specifically the Commercial Code. The legal relations of the Seller and the Buyer that are not explicitly arranged by the Purchase Contract and/or the Terms are subject to the relevant provisions of the Czech Commercial Code and related legal regulations.

- 9.3. Any legal acts that are intended to change, cancel or terminate the obligatory relationship based on the Contract have to be executed in writing.

- 9.4. The withdrawal from the Purchase Contract does not affect the provisions on arbitration, interest on overdue payment and compensation of damages.

- 9.5. It is not permitted to include any part of the purchase price for the delivered goods into the Buyer's claim towards the Seller.

- 9.6. The contractual Parties have agreed that any disputes arising from or relating to this agreement shall be finally settled under the Rules of the Arbitration Court attached to the Economic Chamber of the Czech Republic and Agricultural Chamber of the Czech Republic by a single arbitrator appointed by the President of the Arbitration Court.

- 9.7. The document sent in the form of a recorded letter to the Buyer's address stated in the Contract is considered to be delivered regardless of whether or not it is really delivered to the addressee. The delivery becomes effective on the day when delivered to the addressee, even when the document is delivered to a person different from the addressee. If the document is not delivered at all, the delivery becomes effective on the day when the document is deposited at the post office, even when the addressee does not receive the information about the deposit of the document at the post office.

- 9.8. The Buyer shall not transfer the rights arising from the Contract to a third party and shall not transfer or pledge a claim towards the Seller to a third party without a prior written consent from the Seller.

- 9.9. The Terms of Trade are available at www.bibus.cz.

- 9.10. The Terms of Trade become effective on 1 January 2013.