

## General Terms and Conditions of Sale

Bystřice, 07.03.2012

### § 1 Scope of use

- (1) These general sales and delivery conditions regulate the rights and obligations of the Contracting parties, on the basis of which ALPLA, spol. s r.o. company ID number: 480 26 590 (hereinafter referred to only as ALPLA) sells its products and provides services relating to sales, where the "seller" is ALPLA and the "buyer" is the customer of the subject of performance. These conditions also apply for all future business.
- (2) The commercial conditions of the contractual partner, especially purchasing conditions of the buyer, shall not be accepted, and if so then in exceptional cases subject to provision of prior written consent by ALPLA.
- (3) Modification of these Conditions must be performed in writing. In any case, an order or acceptance of a delivery shall be regarded as acknowledgement of these Conditions.

### § 2 Offers, acceptance, confirmation of orders

- (1) Offers from ALPLA have a validity deadline and the length of their validity is stipulated in the offer.
- (2) ALPLA accepts orders via written confirmation of orders. If confirmation of an order differs from the conditions of the order, the legal act shall be performed pursuant to the ALPLA conditions unless the customer countermands the order in writing immediately after receipt of confirmation.

### § 3 Price

- (1) All prices stipulated in the offer are net prices (not including VAT and secondary costs, e.g. transportation costs).
- (2) If prices have been agreed and the costs according to which the prices were determined change, ALPLA shall be entitled to adjust the prices in such a way that they correspond to the change in costs. The specific price of a delivery is agreed in the purchase contract.
- (3) If a delivery is delayed as a result of any circumstances lying on the side of the customer, ALPLA is entitled to even up the costs which were created through this by increasing the price in a corresponding manner. The right of ALPLA to compensation for damage caused in another manner shall not be affected by this.
- (4) Secondary costs relating to delivery of goods shall be settled by the buyer, unless stipulated otherwise in the purchase contract.

### § 4 Delivery location, delivery

- (1) The delivery location is understood to be the registered office of ALPLA, the registered office of the buyer or another location.
- (2) As soon as a delivery is offered to the buyer at the delivery location, all risk shall be transferred to him. If the buyer fails to accept the delivery, he shall find himself in delay with acceptance. Other than this, the delivery from ALPLA shall in this case be regarded as having been performed and ALPLA is entitled to store the goods at the cost of the buyer. The storage costs resulting from this must be paid to the seller immediately.
- (3) ALPLA is entitled to make partial deliveries, to which these Conditions apply in full.
- (4) If ALPLA were unable to implement a delivery on the contractually agreed date as a result of unforeseeable circumstances which it cannot influence (Act of God, accidental operational failures or interruption of operations, delay in transportation, accidental lack of raw materials or energy etc.), it shall be entitled to implement the delivery on the soonest possible date, if acceptance of the delivery is still tolerable for the buyer on this date. If not, ALPLA is entitled to withdraw from the contract. In the event of other delays in delivery, ALPLA shall only be held liable for those which were caused by its own negligence or deliberately.

### § 5 Warranty and liability

- (1) ALPLA guarantees that goods correspond to the contractually agreed specifications. The tolerance usual in the given field shall apply.
- (2) During acceptance of goods, the buyer must thoroughly inspect the goods and report any possible defects in writing within ten days of acceptance and also send a sample of the goods being claimed for. If he fails to do so, all claims – even due to subsequent damage caused by the defect – are excluded. If a defect is reported within the deadline, ALPLA shall remove this as it sees fit, either by means of repair, replacement, accepting return of the goods being claimed for and issuing a corrective tax document for refund of the price, or provision of a discount. No other entitlements pertain to the customer.
- (3) The warranty period is 6 months from the moment when the goods were offered to the buyer at the delivery location.
- (4) The buyer is not entitled to delay payment due to claims resulting from the warranty, or due to claims of any kind whatsoever.
- (5) ALPLA shall thus only be held liable for damage if caused as a result of its negligence or deliberately. ALPLA shall not be held liable for consequential damage, especially loss of profit and costs relating to return of goods to ALPLA.

- (6) The prior written consent of ALPLA is essential for return of goods being claimed for. If goods are returned without prior consent, ALPLA shall be entitled to refuse acceptance of the returned goods and to return them to the buyer at his cost.
- (7) Samples may differ from deliveries in terms of quality, properties and shape as well as in terms of design and functionality.

## § 6 Reservation of ownership

- (1) Until the buyer meets all of the obligations, which relate to him, especially until he pays the purchase price in full, ALPLA shall remain the owner of the delivered subject of the contract (goods with reservation of ownership).
  - (2) The buyer is entitled to resell goods with reservation of ownership. This entitlement expires if the buyer is in delay with payment, or if he has any doubts about his ability to pay ALPLA the whole amount by the required deadline.
  - (3) If the buyer sells goods with reservation of ownership, he shall assign all entitlements which pertain to him from sale or other betterment to ALPLA up to the level of the ALPLA purchase price. He is obliged to record this assignment of rights into his accounting ledgers. Until revoked, the buyer is authorised to recover these assigned debts to the account of ALPLA in his own name. The buyer is obliged to reserve ownership of the goods with reservation of ownership for himself if he resells goods with reservation of ownership on credit.
  - (4) The buyer shall assign entitlements to insurance or compensation for damage, which arose in the event of destruction or damage to goods with reservation of ownership, to ALPLA.
  - (5) Pledging and transfer of warranty for goods with reservation of ownership is not permissible.
  - (6) If ALPLA exercises its sole ownership by taking back goods with reservation of ownership, it is entitled to sell such goods with reservation of ownership or to have such goods sold unofficially. Goods with reservation of ownership shall be taken back at a price corresponding to the yield thus achieved, at most however at the originally agreed price. ALPLA reserves the right to claim compensation for damage.
- consider reasonable extension of the delivery period
  - bill for all costs created due to reminders, and collection costs, as well as punitive interest at the level as stipulated in the valid existing legal regulations.
  - if the stipulated alternative date is not adhered to, ALPLA shall be entitled to withdraw from the contract, whereas ALPLA is also entitled to withdraw from the whole contract in the event of only partial performance being provided. If ALPLA withdraws from the contract, the customer must pay ALPLA a cancellation fee, payable immediately, at the level of 10% of the price and provide compensation for all damages resulting from this.
- (5) If forced execution is imposed on the property of the buyer, or if his ability to pay ALPLA is in doubt, ALPLA shall be entitled to:
    - immediately declare all of its receivables due regardless of their due dates,
    - suspend all deliveries from contracts not yet performed and to only perform such deliveries in return for payment in advance. If the buyer refuses to provide payment in advance, ALPLA may withdraw from the contract and claim compensation for damage.
  - (6) If the customer finds himself in delay with acceptance, the final amount shall be payable immediately.
  - (7) Even payments intended for settlement of other matters shall be used to settle the oldest receivable and the interest and costs resulting from this shall be added to this.

## § 7 Payment and delay

- (1) Payment for goods shall be remitted to the account as stipulated on the tax document issued by the seller, in the event of payment of small amounts in cash, the payment location is the petty cash office at the registered office of ALPLA.
- (2) Payment by bill of exchange and cheque are not accepted
- (3) The purchase price must be settled within 30 days (unless a different due date is stipulated on the tax document) of the date of the invoice without any delay whatsoever.
- (4) If the whole amount is not settled on the due date, ALPLA shall be entitled to:
  - not meet its further obligations towards this buyer until payment in full

## § 8 Moulds - tools

- (1) Unless agreed otherwise, ALPLA remains the owner of moulds, which it produced for the customer itself or had produced by another company. If the buyer is supposed to become the owner of such moulds, ownership shall not be transferred to him until payment of the purchase price in full.
- (2) On the basis of explicit agreement and if the buyer meets his payment and acceptance obligations, moulds shall only be used for the buyer's orders.
- (3) The price of moulds includes costs for one-off sampling, not however costs for testing and processing, or for changes implemented by the buyer.
- (4) ALPLA is only obliged to replace moulds, if they were not first sampled earlier than three years ago, if they are required for meeting of the amounts which the customer has promised to take delivery of, and if the customer meets his payment and consumption obligations.
- (5) ALPLA shall store one of the moulds for a period of two years from the last delivery from these moulds. ALPLA shall inform the buyer before destruction of moulds.
- (6) If the contract ends before depreciation of the moulds, the buyer must pay the depreciation charge not yet paid.
- (7) ALPLA shall only be held liable for damage to moulds owned by the customer if damage was not caused deliberately or through gross negligence.

ALPLA shall also not be held liable for accidental destruction of these moulds. ALPLA shall insure these moulds subject to request by the customer. Costs relating to this shall also be settled by the buyer, as well as costs for care and technical maintenance of these moulds.

- (8) If the customer fails to accept moulds stipulated by him on the stipulated date after the contract has ended, ALPLA shall be entitled to store such moulds at his cost or to destroy them. Regardless of this, ALPLA is entitled to withhold moulds which the customer owns until the buyer has met all obligations resulting for him from the contract.

## § 9 Jurisdiction and applicable law

- (1) All legal relations between ALPLA and the customer are subject to valid Czech law, above all the pertinent provisions of the Commercial Code and Civil Code. UNCISG is excluded.
- (2) Only the competent courts of the Czech Republic are competent for judicial resolution of disputes in the scope of use of the Lugano Convention or European Regulation on enforcement of judgements.

## § 10 Returnable packaging

- (1) Returnable packaging is and remains the property of ALPLA. The buyer shall be held liable for its damage or loss. If returnable packaging is damaged, ALPLA shall proceed exclusively as it sees fit.
- (2) The buyer must return returnable packaging to ALPLA after it has been emptied and without being called to do so. If insolvency proceedings are instigated against the buyer, or if commercial relations are terminated for any reason whatsoever, the buyer must return the same returnable packaging without being called to do so.
- (3) Damaged and lost returnable packaging as well as returnable packaging that is not returned on time shall be charged to the customer additionally on a quarterly basis. If insolvency proceedings are instigated against the buyer, or if commercial relations are terminated for any reason whatsoever, damaged and lost returnable packaging as well as returnable packaging that is not returned on time shall be charged for immediately. Returnable packaging

charged for must be paid for within 30 days of the invoice date without any delay whatsoever.

## § 11 Closing provisions

- (1) The buyer is not entitled to set off any possible demands towards ALPLA against claims which ALPLA has against him by virtue of remuneration for ALPLA. The buyer does not have right of retention.
- (2) The buyer is not entitled to assign his receivable relating to the subject of the contract to any third party.
- (3) Contesting of the contract due to error on the part of the buyer is excluded.
- (4) Materials or information relating to ALPLA, its products, commercial partner or other customers, which were made available to the buyer, or which the buyer learned of in another manner, must not be handed on to any other third party, especially to the competitors of ALPLA, or be available in any other manner whatsoever. The same applies for such materials, such as samples, drawings, projects, preliminary budgets or promotional materials, which were provided to the customer, or which the customer learned of in another manner. All rights to materials of this type pertain to ALPLA.
- (5) The buyer guarantees that no third party has any right to designs, drawings, models etc. He shall provide ALPLA with compensation without delay for all claims raised from these rights being impaired and must provide ALPLA with compensation for all costs relating to this. If rights of this type are exercised without investigation of the legal state of affairs, ALPLA shall be entitled, without the buyer being entitled in any way towards ALPLA, to withdraw from the contract without stipulating an alternative deadline and to immediately discontinue the delivery.
- (6) If any of the provisions of the contract is invalid or unenforceable, or if they were to become so, the rest of the contract shall remain unaffected. Invalid or unenforceable provisions should be replaced by provisions via which the expected economic purpose is achieved as soon as possible. (Severability clause).
- (7) If a contract is also drawn up in English, the English text shall be decisive for interpretation of the contract.