

## GENERAL BUSINESS CONDITIONS

### I. Introductory provisions

1. These General Business Conditions have been issued by the company RECUTECH, s.r.o. The conditions set out and define in detail the rights and obligations of the manufacturer-vendor and their customer-purchaser. All contractual relations are entered into pursuant to the laws of the Czech Republic – Act No. 89/2012, the Civil Code.
2. The following definitions relate to these General Business Conditions:

**“Vendor”** – RECUTECH, s.r.o., manufacturer, company with its registered address at Poděbradská 289, Pardubice, postal code 530 09, ID No. 288 59 880, registered at the Regional Court in Hradec Králové, Section C, file no. 31643;

**“Purchaser”** – business partner purchasing goods from the vendor;

**“Purchase agreement or agreement”** – agreement or purchase agreement entered into between the vendor and the purchaser. An order confirmed by the other contracting party shall be regarded as a purchase agreement;

**“Due date”** – the latest date by which funds shall be transferred onto the account of the vendor;

**“Delivery of goods”** – delivery of goods by the vendor to the purchaser;

**“Pricelist”** – list of prices for products and goods that is valid at the time when the purchase agreement is entered into;

**“Binding order”** – a written order from the purchaser that is delivered to the vendor by email or fax in connection to the delivery of goods; the vendor confirms the receipt of an order in writing by email or fax;

**“Goods”** – products according to the approved pricelist, including spare parts and accessories;

**“INCOTERMS”** – a set of international rules for the interpretation of business terms most frequently used in international trade. If the text of this agreement uses any of the provisions from the INCOTERMS set of rules, their meaning is specifically set out within the context of such rules.

Unless stipulated otherwise, INCOTERMS 2000 and INCOTERMS 2010 shall be the versions of these rules used for the purposes of these General Business Conditions.

3. By sending the order, the purchaser confirms that they have familiarised themselves with, and agree with, the complete contents of these General Business Conditions, including the procedure for warranty claims. At the same time, they also accept the prices that are valid at the time of sending the order. Before the order is implemented, the purchaser must be fully informed about these General Business Conditions and must have the possibility to properly familiarise themselves with their content, similarly with regard to the price of the ordered goods.

These General Business Conditions form an integral part of any entered into agreement.

### II. Orders and entering into a purchase agreement

1. For the purposes of these General Business Conditions, an “order” is regarded as a unilateral legal act of the purchaser made in relation to the vendor, the objective of which is to acquire the ordered goods from the vendor (hereinafter as an “order”).
2. An order carried out in this way shall satisfy certain minimum requirements and contain essential information – specification of the goods and their quantity, delivery address, etc. – necessary for correctly issuing the relevant documents and for delivering the requested goods to the purchaser.
3. The vendor must have at their disposal the following data:
  - The precise name of the legal entity or name and surname of the private individual and the registered address of the company of the purchaser and their business premises, or the residential address of the consumer;
  - The specific delivery address, including a postal code (and involving address, where different); this means the street, town, postal code and country, if required;
  - ID No. of the purchaser or Tax ID No. of the purchaser, if they are an undertaking;

- Precise contact information (telephone number, e-mail address);
  - Precise description of the ordered goods and their quantity;
  - Delivery method;
  - Payment method.
4. The vendor reserves the right to refuse an order that does not satisfy the basic requirements and which does not contain important information, or has the right to return it to the purchaser so that they may fully complete the order and be given a suitable period in which to do so. If the order is not fully completed within the aforementioned additional period, the order shall be regarded as never having been delivered.
  5. The order of the purchaser constitutes a proposed purchase agreement and can be made not only in written form, but also using electronic communication, e.g. by sending an email or fax. The purchase agreement itself is entered into at the moment when the vendor sends the purchaser, in written form using electronic communication by sending an email or fax, their consent to the purchaser's proposal (a binding confirmation of the order by the vendor) to the address that the purchaser stated in their order. From that moment the purchaser and the vendor have entered into a contractual relationship.
  6. A purchase agreement may only be entered into in writing.

### **III. Cancelling an order**

1. The purchaser has the right to withdraw from a purchase agreement without any cancellation fee at the latest within 24 hours from the moment when the purchase agreement was entered into – i.e. within 48 hours of the confirmation.
2. The purchaser has the right to withdraw from the purchase agreement by paying a cancellation fee amounting to 30% of the purchase price of the ordered goods, after subtraction of VAT, in such cases when the withdrawal notice is delivered to the vendor in the period from 48 hours to seven days from the time the agreement was entered. Once the purchase agreement has been entered into, it can only be cancelled in the event that the purchaser notifies the vendor in writing that they are exercising their right of withdrawal and that they pay the stipulated cancellation fee onto the account of the vendor.
3. The purchaser has the right to withdraw from the purchase agreement by paying a cancellation fee amounting to 80% of the purchase price of the ordered goods, after subtraction of VAT, in the case of the delivery to the vendor of a withdrawal notice in a period longer than seven days from the time the agreement was entered into. Once the purchase agreement has been entered into, it can only be cancelled in the event that the purchaser notifies the vendor in writing that they are exercising their right of withdrawal and that they pay the stipulated cancellation fee onto the account of the vendor.
4. In the cases stated above in points 1, 2 and 3 of this Article, the purchase agreement may be cancelled either in its entirety or only in part. If, pursuant to points 2 and 3 of this article, the purchase agreement is cancelled only in part, the cancellation fee is calculated only from the price of those goods that are cancelled.
5. If more than three days have elapsed from the time the purchase agreement was entered into, the purchase agreement can only be cancelled based on a special written agreement between the contracting parties.
6. Changes to the order cannot be made based on increasing the quantities involved or changing the type of delivered goods. If the purchaser would like to purchase goods not included in the original order, they must always make out a new order. This measure helps prevent errors from occurring when consignments are being despatched.

### **IV. Delivery terms**

1. Unless agreed otherwise, the delivery term for ordered goods is stated on the confirmation of order.

2. In exceptional circumstances over which the vendor has no control, despite exercising due professional care, when the delivery term stated on the confirmation of order cannot be met, the vendor reserves the right to unilaterally extend the delivery term. In such cases the vendor is obliged to inform the purchaser without delay of the change in terms for the delivery of goods.
3. The vendor is generally obliged to confirm an order within two working days of its receipt. If the vendor is unable for any reason to confirm the order, the purchaser shall be informed of such fact.
4. The vendor delivers the goods EX WORKS in accordance with the INCOTERMS rules, or else the contracting parties shall agree to some other means of delivery.
5. The distribution warehouse is open on working days from 06:00 until 15:30.
6. Once goods are prepared for delivery, the vendor shall inform the purchaser by email (or fax) so that they can take the goods away. The vendor shall package the goods and ensure their transport. The purchaser is obliged to take delivery of the goods at the latest one week from the expiry of the delivery term – i.e. one week following the date stated on the confirmation of order, and to such end must notify the vendor of the time and date the goods will be loaded up at least two days in advance.
7. Each bought item of goods must be provided with a tax document, which simultaneously serves as a delivery sheet and also as a warranty document. The vendor is obliged to affix to the goods all documentation as required by law. The vendor owns all rights to every item of technical documentation or drawings, to any manuals, promotional materials, etc. These may be reproduced only based upon the written consent of the vendor. The purchaser is obliged to uphold and protect all rights relating to the intellectual property of the vendor. Product documentation is generally supplied in English and Czech. Drawings from the vendor's Development Department are not part of the documentation provided to the purchaser.
8. Liability for the goods is transferred to the purchaser according to the agreed type of transport pursuant to INCOTERM 2010.
9. The purchaser is obliged to collect the goods delivered in accordance with the purchase agreement. The contracting parties hereby agree that in the event of a refusal to collect the goods, or in the event that the purchaser fails to collect the goods at the latest within 10 days, the purchaser is obliged to pay the vendor storage charges according to the pricelist of the vendor, i.e. 0.5% of the price of goods, including VAT, per each calendar day. This does not affect the right of the vendor to compensation of damage. Nor is the right of the vendor to the contractual fine and compensation of damage affected if goods that the purchaser failed to collect are sold by the vendor to a third party.
10. If the purchaser does not collect the goods within one month from the expiry of the delivery term, the vendor has the right to sell the goods to a third party and may exercise its rights in relation to the purchaser for compensation of any damage that the vendor incurred as a result of a breach of obligations involving the collection of goods and/or payment of the purchase price.
11. The purchaser shall inspect the goods to see if they are complete and whether they are the requested goods (compliance with the order), and in the event of any discrepancy shall notify the vendor during the takeover of goods, or the forwarder by entering a record in the CMR, or may reject the goods.
12. The purchaser shall carry out a thorough inspection of the goods to ascertain any possible damage and immediately notify any defects they identify during the takeover of goods. At the same time, the purchaser shall test and evaluate the functionality of the goods and notify the vendor without delay regarding all of the ascertained defects in functionality. If a test of functionality depends on the goods being properly installed (and a prior test was not possible or practicable), then the purchaser may postpone the test until the goods have been installed, at the latest within three months from the day the goods were taken over. Other defects shall be notified by the purchaser to the vendor without delay following their discovery, or immediately after such defect occurs.

13. The purchaser may not exercise any right arising from a deficiency/defect of the goods if such deficiency/defect was not timely notified to the vendor in the manner stated above.

## **V. Purchase price and terms of payment**

1. The purchase price of goods is stated in the entered into purchase agreement. The price is otherwise given in accordance with the vendor's pricelist, valid at the time the order was sent to the vendor. The purchase price shall be paid in euros, unless agreed otherwise in the relevant agreement.
2. To the purchase price is added VAT at the rate demanded by the current statutory requirements.
3. The purchase price is due at the latest prior to the loading up of goods, unless agreed otherwise.
4. The vendor shall only accept payment of the purchase price by bank transfer onto the vendor's account.
5. The purchaser does not acquire ownership of the goods until the complete purchase price has been paid, whereby payment of the purchase price shall mean crediting the funds equivalent to the purchase price onto the account of the vendor.
6. If there is any default in payment of the purchase price, the vendor shall have the right to charge a contractual fine for default of payment amounting to 0.1% of the owed amount for each day of default, starting on the eighth day of default.

## **VI. Other services**

1. The vendor does not generally provide for the paid transport of sold goods. Nonetheless, it is possible for the contracting parties to agree that the vendor shall arrange for such transport. In such cases a forwarding fee shall be set based upon an agreement, and when no such agreement on the forwarding fee is entered into, the purchaser is obliged to pay vendor the forwarding fee and any other costs the vendor incurred during the transportation of goods.

## **VII. Warranty, claims (rights arising from liability for defects)**

1. The rights and responsibilities of the contracting parties (procedure) based on a claim submitted by the purchaser shall be regulated in accordance with the Claims Code of the vendor, which forms an integral part of these General Business Conditions.
2. Liability for product, safety and compensation  
The manufacturer, pursuant to the current statutory requirements, is liable for injury to persons and/or damage to property caused by a product delivered to the vendor. The purchaser may enforce their right to compensation of damage against the vendor only in the event that the damage was caused deliberately or by gross negligence on the part of the vendor (irrespective of whether this obligation is claimed based upon the agreement or upon the commission of an offence).  
The total sum of costs for damage that may be credited to the account of the purchaser is restricted to an amount corresponding to a maximum of double the purchase price of the goods by which, or by the delivery of which, the damage was caused.

## **VIII. Delivery**

1. Unless agreed otherwise, delivery to the other party shall be made to the address of the party identified as the delivery address, and in other cases to the address of the company's registered office, business premises or residential address.

## **IX. Final provisions**

1. These General Business Conditions enter into effect on the day of their publication on the website of the vendor [www.recutech.cz](http://www.recutech.cz). A new version of the General Business Conditions overrides any version issued at an earlier date. Legal relationships established pursuant to these General Business Conditions shall always be decided upon pursuant to the General Business Conditions that were valid at the time the legal relationship first began. Previously valid General Business Conditions may be sent out by email upon request. The vendor reserves the right to make changes to these General Business Conditions, and these changes shall come into effect on the day of their publication on the website of the vendor.