

General Business Terms and Conditions

of **MORAVIA Europe, spol. s r.o.**, with registered office Olomoucká 83, Brno, Postcode: 627 00,
Registration No: 25504070, Tax Registration No.: CZ25504070 (hereinafter the “company”)

1. General terms and conditions

- 1.1. These general terms and conditions are essential and necessary part of every offer and every shipment and every contract concluded with the company mentioned above. Through the adoption of these terms and conditions, both of contracting parties eliminate the statutory provisions of the third part of the Commercial Code which are not in conformity with the general business terms and conditions in accordance with §263 of the Commercial Code.

2. Alteration of general terms and conditions

- 2.1. Alterations of these general terms and conditions are effective toward each business party upon express written confirmation of the company mentioned above.

3. Pricing

- 3.1. Unless otherwise agreed, the prices of goods and services are specified in EUR.
3.2. A valid price list is placed in the general terms and conditions appendix. The company reserves the right to alter the specified prices. The company will inform the contracting partners of alterations of the prices of goods and services placed in the price list 14 days before the planned realization.

4. Payment conditions

- 4.1. The purchaser is obliged to cover the price of goods and related charges before the delivery and receipt of the goods to the date of validity stated on sent resource invoice unless otherwise agreed upon. Contracting partners of the company to the credit for receipt of the goods was allocated are entitled to pay the price of the goods received upon the delivery of goods, including related charges. In the correspondent invoice, the date of validity regarding this fact shall be stated.
4.2. Unless otherwise agreed, all payments are payable within 14 days as of the date of invoicing. The date on which the relevant sum of money has been deposited on the company account and is accessible to the company.
4.3. Every invoice must contain the date of issue, date of validity, order number, company name or name of an purchaser, seat of the company, registration number, tax registration number, shipping address (if it is not the same as the seat of the purchaser), code and description of goods accordance with the price list, price accordance with the price list, type of VAT, price.
4.4. The company accepts cheques and bills of exchanges only if previously agreed upon in writing. All costs, charges etc. are the expenses of the purchaser.
4.5. Every payment has to be fulfilled on the account of the company stated in the invoice. The payment of outstanding debts to the employees of the company with the legal effect of payment is possible only in the event of cash payment and only if the employee will prove that he has power of attorney issued by the company on the collection.
4.6. If the payment deadline is not met, the purchaser receives to the delay and further outstanding debts against him at that moment will be due. Any outstanding debts will immediately be due if a proposal of bankruptcy or settlement proceedings is presented to the court or if such proceeding are to be initiated or if the purchaser stops the payments. In such cases, the company is entitled to withdraw from the contracts concluded between the company and the purchase or to claim immediate payment of the negotiated purchase price including related charges in cash. The company's right to claim for the compensation of damage is not upheld.
4.7. In the event that the purchaser delays in the fulfillment of obligations according to the concluded contract, the purchaser is obliged to pay the penal clause to the company in the amount of 0.05% of the amount outstanding for each day starting at the date of the delay.
4.8. According to the consideration of the company the credit for acceptance of goods will be allocated to the purchaser who fulfils his obligations from the contract concluded with the company on the long term. The purchaser who takes the goods according to the credit is entitled to take the stated type and number of goods in such a manner that he will pay for these goods by the date defined by the company. The credit for each of contracting partners of the company is determined by the company on the basis of financial statements provided by the purchaser or on the basis of an evaluation of observance of contracting obligation from the purchaser and on the base of amount of the fulfillment carried out.

5. Order

- 5.1. The ordering system is specified on the web sites <http://www.moravia-europe.eu>. The company assumes that the contracting partner is already familiar with this information before the order is sent. Binding orders can be sent by e-mail on order@moravia-europe.eu, or by fax at the fax number +420 541 422 510.
5.2. Each order must contain the order number, the date of issue of the order, name or company name and registration number, name of contact person of the contracting partner, shipping address, description and code of the goods in accordance with the price list and valid according to the price list of the company.
5.3. Orders which are delivered to the company are, according to legal regulations, taken into consideration for the proposal of contract of purchase, the contract is then valid and in effect in the moment when the confirmation of the order is delivered to the contracting partner of the company. Confirmation of the order is considered as acceptance of the proposal.

6. Delivery

- 6.1. Delivery and transportation from the storehouse of the company by the contracting carrier are carried out at the risk of the purchaser. The method of shipping is determined upon the agreement with the contracting party of the company with exclusion of any liability of the company.
6.2. Transportation insurance will be ensured by the company only in the event of written request from the contracting partner of the company and at his own expense.
6.3. In business cases when the price does not exceed EUR 500 the contracting partner pays the costs of transportation to the company at the amount of EUR 10 for 1 package and together with price of packaging at the amount of EUR 10. In business cases when the price is over EUR 500 while not exceeding EUR 3000 the purchaser pays the costs of transportation at the amount of EUR 10 for 1 package. In business cases when the price exceeds 3000 EUR, the transportation is carried out at the company's expense, under agreed INCOTERM condition.
6.4. The goods will be delivered under agreed INCOTERM condition to the shipping address stated in the order within 14 days as of receipt of order confirmation.
6.5. The purchaser can send a written request about returning of purchased goods to the company. The request will be judged by the appropriate department of the company. If the request is authorized and the claim is accepted, the authorization number (acceptance number) will be assigned to the purchaser. The number must be shown in all further correspondence between the parties in this case. Goods can be returned only if they are not damaged and are in the original package. If the company does not find any deficiencies on returned goods, the company will issue an advice of credit to the purchaser at the amount for which the purchaser bought the goods, reduced by a handling fee at the amount of 5% of the price of returned goods. Returned goods are property of the company.

7. Customer complaints

- 7.1. Customer complaints concerning delivered goods must be carried out in writing without unreasonable delay not later than 2 days as of receipt of the goods according to the delivery note. After the time limit expires, the goods are considered to be perfect, except for the possibility of hidden defects. Damage caused by the transportation must immediately be expressed appropriately – noted on the delivery note or some carriage document and signed by the driver of the courier service (transporter).
- 7.2. Customer complaints must be carried out as written requests.
- 7.3. In case of abstraction or after the goods are used, and also after any changes made to the goods without the previous knowledge and agreement of the company, all guarantees and claims of damages are eliminated.

8. Property reservation

- 8.1. All goods delivered to the contracting partners of the company remain property of the company until the purchase price is paid including all related charges.
- 8.2. The purchaser is obliged to handle the goods, which are still property of the company, with the care of competent manager and store them in an appropriate way.
- 8.3. The purchaser is not entitled to pawn or to impede the goods which are property of the company in any way. The purchaser is obliged to give notice to the company immediately in the case of encroachment of the third party on the property of the company.
- 8.4. Reservation of the property rights stated in the article 8.1 does not affect the transgression of the risk of damage on the goods stated in the article 6.1 of these terms and conditions.
- 8.5. The company is entitled to retain or to claim the return of the goods delivered to the purchaser in the case that the price of purchase and relation charges has not been paid properly and in time, in the case that the purchaser exceeded the stated credit for the receipt of the goods, in the event of declaration of bankruptcy or settlement proceedings have been presented to the court on the property of the purchaser, or if the purchaser stopped his payments. Under these terms, the company is in default.
- 8.6. Unless otherwise agreed, return delivery by the company does not mean cancellation of the contract. In the case of returned delivery of goods which are property of the company, the company has the right to damages because of failure to fulfill the contractual obligation.
- 8.7. The purchaser is considered to be manager of goods sold with the reservation of the property until the expiration of the reservation of the property.
- 8.8. The costs arising due to exercising property rights and claims of the company are considered to be at the purchaser's expense.

9. Common provisions

- 9.1. The company is not liable for delays arising from unforeseeable circumstances during manufacturing or transportation, from disturbance of supply by the purchaser or by any of his suppliers or from acts of Providence. These circumstances entitle the company to the cancellation of the contract without the right of the purchaser to claim possible damage.
- 9.2. The contracting parties shall resolve all conflicts arising from or connected to this contract by means of bilateral agreement in a conciliatory manner. Should the parties fail to reach a conciliatory agreement, all conflicts between them will underlie to the resolution of arbitration board compound of three arbiters of Arbitration court attached to the Economic Chamber of the Czech Republic and Agricultural Chamber of the Czech Republic. Each of the parties will appoint one arbiter, the third arbiter will be elected by the two already appointed. If one of the parties does not appoint an arbiter within 14 days as of the appeal of the second party have been delivered or if the two arbiters will not elect a chairman of arbitration board within 14 day as of the appointment of the arbiters has been announced, the chairman of the arbitration court mentioned above will appoint the arbiter or the chairman of arbitration board. The arbitration proceedings abide by the Rules of the Arbitration court. The possibility of the parties to appeal their claims to the appropriate court is not breached by this.
- 9.3. Legal relationships between both contracting parties shall abide by Czech law.

In Brno, on the day of 1.1.2013