

GENERAL SALES AND DELIVERY TERMS AND CONDITIONS

of

Platex, s.r.o.

(hereinafter: SUPPLIER)

with its registered office at Křenkova 283, Česká Skalice, Czech Republic

registered in the Companies Register administered by the Regional Court in Hradec Králové,
Section C, File no. 1844

Article 1 – Generally

- 1.1 These General Terms and Conditions (hereinafter: Terms and Conditions) govern legal relationships resulting from all quotes, orders, contracts and/or agreements between SUPPLIER and Customers, relating to sale and delivery of products and/or performance of services and the execution of these. Deviations from or changes to these Terms and Conditions must be confirmed in writing by SUPPLIER and apply only to the particular quote/order/contract/agreement.
- 1.2 As used below, “Customer” refers to any legal or natural person to and for whom SUPPLIER supplies products and/or performs services. This also applies to any legal successors of that legal or natural person.
- 1.3 Any general terms and conditions maintained by the Customer are not binding for SUPPLIER, unless SUPPLIER has stated in writing that it agrees to this.
- 1.4 If SUPPLIER has agreed in writing to the applicability of one or more deviating terms and conditions, these Terms and Conditions shall remain in full force for the rest.

Article 2 – Agreements and Changes

- 2.1 An order placed by the Customer shall be regarded by SUPPLIER as an irrevocable offer for an agreement to supply products or services.
- 2.2 SUPPLIER is only bound vis-à-vis the Customer with regard to an order placed with SUPPLIER if and as soon as that order is confirmed in writing by SUPPLIER within 10 days after receipt of the delivery order or if SUPPLIER has started executing that order. With regard to the aforementioned confirmation, SUPPLIER expressly reserves the right to determine the delivery date at a later time than that requested by the Customer in an order.
- 2.3 After an order has been placed, changes in the execution of the order desired by the Customer must be brought to SUPPLIER’s attention by the Customer in writing and in a timely manner. Changes to the order shall be binding on SUPPLIER only if confirmed by SUPPLIER. In respect of orders and/or changes in the execution thereof made orally or by telephone, the wording thereof shall apply as interpreted by SUPPLIER.
- 2.4 Changes in an order placed by the Customer, of whatever nature, which entail increased costs that what could be counted on with regard to the price quotation originally provided by

SUPPLIER are at the Customer's expense, i.e. SUPPLIER has the right to increase the price by a reasonable amount or charge any additional costs to the Customer. If such changes result in decreased costs, the Customer may not derive any right whatsoever from this with regard to lowering the purchase price. SUPPLIER may, however, at its own discretion decide that these changes will result in payment of a lower purchase price.

- 2.5 Changes made may result in SUPPLIER exceeding the delivery time indicated before the changes. This may not be invoked to SUPPLIER's detriment and no claims on the part of the Customer to SUPPLIER shall result in this respect.

Article 3 – Quotes and Price Quotations

- 3.1 All of SUPPLIER's quotes are without obligation, unless the quote expressly states otherwise.
- 3.2 Descriptions and prices in quotes are made under reservation and represent only approximations. The Customer may not derive any right whatsoever from any mistakes in a quote.
- 3.3 SUPPLIER's quotes are given on the basis of information and specifications provided by the Customer. Quotes are based on production and delivery within normal timeframes and under normal circumstances.
- 3.4 SUPPLIER is entitled to change the agreed price if changed market prices and/or price increases by suppliers or other developments, such as changes in raw material, material and labour costs, government measures, currency exchange rates, taxes, duties, levies etc., provide reason to do so. SUPPLIER shall inform the Customer of any price increase as soon as possible in writing. If the price increase occurs, within three (3) months after the conclusion of an agreement and amounts to more than ten (10) % of the original price, the Customer is entitled to demand in writing, within (10) days after the written notice referred to in the previous sentence is sent, that the agreement be rescinded; if this does not occur, the Customer shall be deemed to agree to the price increase.

Article 4 – Production Process/Final Inspection/Release

- 4.1 SUPPLIER shall determine and design the production process at all times.

Article 5 – Delivery

- 5.1 Notwithstanding Article 2.2, the delivery date shall be determined by SUPPLIER and the Customer jointly. If SUPPLIER states a delivery timeframe, this shall only represent an approximation and shall not constitute a guarantee.
- 5.2 SUPPLIER shall not be in default by only exceeding the delivery timeframe provided that SUPPLIER has notified the Customer of the reasons for the exceeding of the original delivery timeframe and of an additional delivery timeframe. If a delay occurs, for whatever reason, the delivery time shall be extended by the length of that delay.
- 5.3 Unless otherwise agreed in writing and not contrary to the provisions in Article 7 of these Terms and Conditions, products shall be considered delivered to the Customer in a legal sense from the time that these are put at the disposal of Customer at the place as agreed upon as per DDP Incoterms 2000, unless a different Incoterms rule has been agreed in

writing.

- 5.4 SUPPLIER shall inform the Customer of the date of dispatch. Products are transported at SUPPLIER's expenses and risk, unless an Incoterms rule that provides otherwise in respect of that risk has been agreed. The Customer is obliged to take receipt of the products on the date announced. If this obligation is not met, SUPPLIER may store the products in (or have them stored). In that case, the delivery of products and/or services shall be deemed to have been performed upon their storage. The Customer shall be responsible for the costs associated with such storage.
- 5.5 SUPPLIER is entitled to deliver products in parts. Each partial delivery, including the delivery of products for a combined order, may be invoiced separately. In such a case, payment must be made in accordance with Article 6 of these Terms and Conditions.

Article 6 – Payment

- 6.1 The Customer must pay SUPPLIER within thirty (30) days after the invoice date, unless otherwise agreed in writing.
- 6.2 The Customer hereby waives its set-off rights and rights to suspend performance.
- 6.3 SUPPLIER shall ensure timely invoicing. Sub-invoicing is possible at all times, unless this has been excluded in writing.
- 6.4 Payment by the Customer must be made solely in the currency in which the agreed prices have been stated, unless otherwise agreed in writing. The Customer bears any currency risk.
- 6.5 In the event that the Customer is in default of payment in a due and timely manner within the period defined in Article 6.1 of these Terms and Conditions, the Customer – without prejudice to SUPPLIER's other rights – shall owe monthly interest of two (2) % on the invoice amount (portion still owed) as from the date that the payment time period was exceeded until the time of complete payment of the invoice amount. SUPPLIER shall then be entitled to demand immediate payment of all invoices not yet paid and to suspend further deliveries until the time the entire invoice amount is paid, or sufficient security has been provided in that regard.
- 6.6 All judicial and extra judicial costs which SUPPLIER incurs as a result of the Customer not meeting his/its payment obligations shall be borne by the Customer.
- 6.7 Payments made by the Customer are always applied first to pay all costs owed and interest due and then to pay the oldest invoice which is due and payable, even if the Customer states that the payment relates to a later invoice.

Article 7 – Retention of Ownership

- 7.1 The delivered products remain the property of SUPPLIER until the Customer has completely met all his/its payment obligations under the agreement in question. This shall be without prejudice to any provisions of these Terms and Conditions concerning the moment at which the risk of damage to the goods passes to the Customer.
- 7.2 As long as full payment has not occurred, the Customer is not entitled to pledge the products to third parties, other than in connection with his/its normal business operations, or

otherwise encumber them or fully or partly dispose of them to third parties. The Customer undertakes to cooperate – upon SUPPLIER’s first request – in a pledge on behalf of SUPPLIER regarding payment obligations towards the Customer, that arise or will arise from the resale of products by the Customer.

- 7.3 The Customer does not have any right of retention with regard to the delivered goods for the purposes of securing any storage costs incurred by him/it, nor is the Customer entitled to set these costs off against what he/it owes to SUPPLIER. The Customer undertakes to treat and keep the products, which have been delivered under retention of ownership, with due care and in a way that they can be identified and recognised as the property of SUPPLIER.
- 7.4 If the Customer remains in default after a written demand by SUPPLIER with respect to any payment obligation in respect of products already delivered, SUPPLIER shall be entitled to remove the products delivered (or have them removed) from the Customer or his/its holders. The Customer hereby irrevocably grants permission to SUPPLIER to enter the places where the items are located. The Customer shall be responsible for the costs associated with such retrieval or the products.
- 7.5 The conditions as laid down in Article 7.1 until 7.4 shall be without prejudice to the SUPPLIER’s right to demand and enforce the payment of the price and interest.
- 7.6 If the Customer is seated in Germany, the retention of ownership will be governed – instead of Article 7.1 until 7.5 – by the following conditions in Article 7.7 until 7.13.
- 7.7 Das Eigentum an den gelieferten Waren bleibt zur Sicherung aller Ansprüche vorbehalten, die LIEFERANT aus der gegenwärtigen und künftigen Geschäftsverbindung bis zum Ausgleich aller Salden gegen den Abnehmer und seine Konzerngesellschaften zustehen. Unser Eigentum erstreckt sich auf die durch Verarbeitung der Vorbehaltsware entstehende neue Sache. Der Abnehmer stellt die neue Sache unter Ausschluss des eigenen Eigentumserwerbs für Lieferant her und verwahrt sie für LIEFERANT. Hieraus erwachsen ihm keine Ansprüche gegen LIEFERANT.
- 7.8 Vorbehaltsware mit Waren anderen Lieferanten, deren Eigentumsrechte sich ebenfalls and dem neuen Sache fortsetzen, erwirbt LIEFERANT zusammen mit diesen Lieferanten – unter Ausschluss, eines Miteigentumsanteil dem Verhältnis des Rechnungswertes LIEFERANTS Vorbehaltsware zu dem Gesamtrechnungswert aller mitarbeiteten Vorbehaltswaren.
- 7.9 Der Abnehmer tritt jetzt seine Forderungen aus der Veräußerung von Vorbehaltsware aus die gegenwärtigen und künftigen Warenlieferungen der LIEFERANT mis sämtliche Nebenrechten im Umfang der Eigentumsanteil der LIEFERANT zur Sicherung an uns ab.
- 7.10 Bei Verarbeitung im Rahmen eines Werkvertrages wird die Werklohnforderung in Höhe des anteiligen Betrages der Rechnung dem LIEFERANT für die mitverarbeitet Vorbehaltsware schon jetzt an uns abgetreten. Solange der Abnehmer seinen Verpflichtungen aus der Geschäftsverbindung an LIEFERANT ordnungsgemäss nachkommt, darf er über die in der Eigentum der LIEFERANT stehende Ware im ordentlichen Geschäftsgang verfügen und die an LIEFERANT abgetretenen Forderungen selbst einziehen.
- 7.11 Bei Zahlungsverzug oder begründeten Zweifeln and der Zahlungsfähigkeit oder Kreditwürdigkeit des Abnehmers ist LIEFERANT berechtigt, die abgetretenen Forderungen einzuziehen und die Vorbehaltsware zurückzunehmen.

- 7.12 Scheck-/ Wechselzahlungen gelten erst nach Einlösung der Wechsel durch den Abnehmer als Erfüllung.
- 7.13 Hinsichtlich der Vereinbarung von Eigentumsvorbehaltsrechten gilt ausschliesslich deutsches Recht.
- 7.14 German law will be applicable to the conditions or retention of ownership as laid down in Article 7.7 until 7.13 above.

Article 8 – Customer Obligations

- 8.1 The Customer shall ensure that SUPPLIER shall have at its disposal in a timely manner all information which is necessary to execute the agreement, such as measurements, weights, numbers, (maximum/minimum) dimensions and/or other specifications applicable to the agreement in question.
- 8.2 If the start or progress of the execution of the agreement is delayed by factors which are attributable to the Customer, the Customer shall bear responsibility for the ensuing damage and costs for SUPPLIER.

Article 9 – Engaging Third Parties

- 9.1 SUPPLIER is entitled to engage third parties to execute an agreement at the Customer's expense, if there is reason to do so in SUPPLIER's judgment or this ensues from the agreement. SUPPLIER shall guarantee any performance to be made by a third party.

Article 10 – Complaints

- 10.1 Immediately after receiving the delivered products, the Customer is obliged to examine whether the products are in accordance with the agreement. This examination has to be carried out before the products are applied by, or on behalf of, the Customer. If, in the Customer's judgment, the delivered products are not in accordance with the agreement, the Customer must make a written objection, stating reasons, within thirty (30) days after receipt of the products. In the event the basis for the objection could not have reasonably been discovered within this time period, a time period of thirty (30) days after that basis could reasonably have been discovered shall commence. Notwithstanding the foregoing, SUPPLIER shall not in any case be liable for defects that have not been claimed within a period of six (6) months after SUPPLIER has sent the products.
- 10.2 If, with due observance of the provisions of Article 12.1, SUPPLIER determines that the objection is well founded, SUPPLIER shall only be required to repair at no cost or replace the (parts of the) products to which the objections relate, or to provide a discount on the price to the Customer, such at SUPPLIER's option.

Article 11 – Return of Delivered Products

- 11.1 Products sent by SUPPLIER to the Customer may only be returned to SUPPLIER after written permission from SUPPLIER and under conditions to be set by SUPPLIER.
- 11.2 The Customer shall bear the costs of returning the products sent by SUPPLIER to the

Customer, with the exception of the costs of returning products as to which it has been established for SUPPLIER that these products contain mistakes and/or defects falling under the guarantee or for which SUPPLIER is liable.

Article 12 – Guarantee

- 12.1 During a period of three (3) months after delivery, SUPPLIER gives a guarantee on all products, which were produced by SUPPLIER itself. Defects falling under the guarantee shall be eliminated by SUPPLIER, by sending a part for replacement or crediting the purchase price of the part concerned, such at SUPPLIER's option.
- 12.2 SUPPLIER does not give any guarantees on products not produced by SUPPLIER itself, nor where the cause for the defect of a product is a material not produced by SUPPLIER.
- 12.3 SUPPLIER is not required to comply with any guarantee obligation if, at the time the Customer invokes the guarantee, the Customer has not fully, properly or timely fulfilled any obligation vis-à-vis SUPPLIER.
- 12.4 Any guarantee shall expire if the Customer itself performs changes or repairs with respect to the products, or has these performed, if the products are used for purposes which are not common for businesses, or has acted or performed maintenance in a careless or injudicious manner. In this respect written instructions of the supplier shall be carried out. These instructions can be found on labels, manuals et cetera.
- 12.5 In the event a new part produced by SUPPLIER itself is installed in a delivered product produced by SUPPLIER itself, there is no new guarantee period with regard to that part or the product concerned, but, with regard to that part, there is a guarantee period that ends at the time that the guarantee period ends for the product in which that part has been installed.

Article 13 – Liability

- 13.1 SUPPLIER's liability is limited to performance of the guarantee obligations described in Article 12 of these Terms and Conditions. Any more extensive or other liability for incorrect performance or other breaches of contract by SUPPLIER or for damage to the Customer or third parties, for whatever cause (except in the case of intentional acts or gross negligence on the part of SUPPLIER), is expressly excluded.
- 13.2 Any SUPPLIER employees against whom claims are made in relation to SUPPLIER's performance may invoke the provisions of Article 13.1 as if they were a party to the agreement between SUPPLIER and the Customer.

Article 14 – Intellectual and Industrial Property Rights

- 14.1 SUPPLIER retains all intellectual and industrial property rights with respect to quotes made by it, as well as with respect to drawings, software, descriptions, models and the like produced or provided by it, as well as with respect to all information contained in or forming the basis for these.
- 14.2 The Customer guarantees that the items referred to in Article 14.1 shall not be distributed, disclosed, stored or otherwise used, except as necessary to execute the agreement and with SUPPLIER's written permission.

- 14.3 All designations, logos, labels and the like, whether protected by intellectual or industrial property rights or not, which are found on, in or at the products delivered by SUPPLIER, may not be changed by the Customer, removed from the products, copied or used for other products, except with SUPPLIER's permission.

Article 15 – Provision of Security

- 15.1 If there is reason for SUPPLIER to suspect that the Customer will not be able to perform his/its obligations under the agreement, then the Customer shall be obliged at SUPPLIER's first request to provide sufficient security for the performance of all his/its obligations in respect of the agreements performed or still to be performed in whole or in part by SUPPLIER, in a manner to be indicated by SUPPLIER.

Article 16 – Suspension, Rescission, Force Majeure

- 16.1 If the Customer in any way commits a breach of contract vis-à-vis SUPPLIER in respect of the performance of any obligation, whether in whole or in part, as well as in the event of any circumstance deemed by the law governing these Terms and Conditions to be tantamount to insolvency on the part of the Customer, or in the event of liquidation or transfer of (part of) the business of the Other Party, SUPPLIER shall, without prejudice to the other rights which it has and without any obligation to pay compensation, be entitled, without a notice of default or judicial intervention:

- to suspend the execution of the agreement until payment of all that which the Customer owes to SUPPLIER has been sufficiently secured; and/or
- to suspend all of its own potential payment obligations; and/or
- to rescind in whole or in part every agreement with the Customer;

all of this without prejudice to the Customer's obligation to pay for products already delivered and/or services already performed, and without affecting SUPPLIER's other rights, including its rights to compensation.

- 16.2 In the event SUPPLIER is impeded from executing the agreement due to force majeure, SUPPLIER shall be entitled to suspend the execution of the agreement without judicial intervention or to rescind the agreement in whole or in part, without being obliged to pay any compensation.
- 16.3 There is an instance of force majeure in the case of a circumstance beyond SUPPLIER's control which results in performance of the agreement being permanently or temporarily impeded, as well as, insofar as not already included in this, the case of war, threat of war, civil war, riots, strikes, fire and every other disruption in the business of SUPPLIER or its suppliers. There is also an instance of force majeure if a supplier from whom SUPPLIER purchases products with regard to the execution of the agreement with the Customer remains in default as to timely and/or proper delivery.

Article 17 – Transfer of Rights and Obligations

- 17.1 The Customer may not transfer his/its rights and/or obligations ensuing from any agreement with SUPPLIER to third parties, or allow these to serve as security for third-party claims,

without SUPPLIER's written permission.

Article 18 – Applicable Law, Competent Court

- 18.1 Czech law governs these Terms and Conditions, as well as the legal relationships between SUPPLIER and the Customer, apart from the Articles 7.7 until 7.13 of these Terms and Conditions, which are governed by German law.
- 18.2 Any disputes arising in connection with any agreement entered into between SUPPLIER and the Customer or in connection with the performance thereof, as well as any disputes concerning these Terms and Conditions, shall be heard by the ordinary courts of the Czech Republic, including hearings on the rendering of a preliminary ruling. The local jurisdiction of the courts shall be determined by SUPPLIER's registered office.

Article 19 – Prevalence of a Language Version

- 19.1 In the event of a conflict between any language version of these Terms and Conditions and the English version, the English version shall prevail, apart from Articles 7.7 until 7.13 of these Terms and Conditions of which the German text will prevail.

Article 20 – Publication

- 20.1 These Terms and Conditions have been published by SUPPLIER on the following website:
<http://www.platex.cz/>

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CUSTOMER

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SUPPLIER
Ing. Radek Dostál
Gen. Director