

SPUR, a.s. GENERAL COMMERCIAL AND DELIVERY TERMS AND CONDITIONS
for selling products and goods effective 1 January 2010

I. Introductory Provisions

1. These General Commercial and Delivery Terms and Conditions shall be fully applicable unless another agreement is reached between the Seller and the Buyer in the respective purchase contract.
2. Any amendments, additions and schedules to these terms and conditions shall only be made when mutually approved by both Contracting Parties in writing, otherwise they are invalid.
3. All drawings, technical specifications, films, or diskettes, and other recordings or technical documents are regarded as the Seller's trade secrets and shall not be provided to third parties without the Seller's prior written approval.
4. The Buyer shall not, without the Seller's prior written consent, be entitled to transfer the rights and obligations ensuing from contracts concluded between the Buyer and the Seller.
5. If no special terms and conditions are agreed upon in the contract, the Seller shall be obliged to provide the goods in the models or variants, along with usual accessories, which are appropriate to the purpose for which the goods are sold.

II. Packaging

1. The goods shall be delivered in packing appropriate to the agreed-upon type of goods and transport conditions so that any damage to the goods during their transport to the agreed-upon place of delivery is avoided.
2. The Seller shall charge the Buyer, in addition to the goods delivered, for pallets, or other kinds of packing, designated as returnable. If the Buyer returns this packing in perfect condition immediately to the Seller without being used otherwise by the Buyer but within 6 months from the Seller's dispatch, the Buyer shall be entitled to recharge it back to the Seller; the Seller shall then be obliged to recompense its value to the Buyer.
3. Packing material and packing costs shall be charged to the Buyer. Any used packing and fixing material shall only be returned when explicitly agreed upon.

III. Goods Delivery

1. If not agreed upon otherwise, the Seller's registered office shall be the place of performance as follows:
SPUR, a. s., tř. T. Bati 299, 764 22 Zlín.
The Seller shall accomplish its obligation ensuing from the purchase contract by making the goods available to the Buyer at the Seller's facility or warehouse and by marking the goods properly as those of the Buyer, and notifying the Buyer accordingly.
The Buyer shall organise the goods' transport on its own and at its own expense and risk.
2. If the Buyer does not take, or withdraw, the goods duly and timely, the Seller shall be entitled to void the contract through a unilateral statement with the withdrawal effective on the day and time this withdrawal statement is delivered to the Buyer. In this connection, the Seller shall be entitled to exercise against the Buyer its right for being recompensed all the costs incurred to it in relation to the contract with the Buyer, as well as for the profit lost.
3. The Seller shall be entitled to deliver the goods in partial deliveries, even prior to the specified delivery term. While delivering the goods in partial deliveries, not keeping the delivery time for one of partial deliveries shall not, whatsoever, affect the purchase contract effectiveness.
4. The delivery time agreed upon for single instances shall commence on the day the purchase contract is concluded, if not specified otherwise in the purchase contract. However, this shall not apply when all the technical or commercial terms and conditions are not agreed upon with the Buyer, the Buyer did not provide all the necessary documents or permits, or the Buyer did not provide components or materials needed for producing the goods contracted. In such a case, the delivery term shall not commence before all these missing items are delivered to the Seller.

IV. Purchase Price

1. If not agreed upon otherwise in the purchase contract, the purchase price shall be understood as "ex works", or from the Seller's warehouse, packing, packing cost, transport mean loading, transport cost and insurance excluded.
2. The Seller shall set the purchase price prior to commencing the deliveries through the pricelist or the purchase contract with the price schedule providing the products assortment, with the option of updating price data based on the market's effects.

V. Payment Terms and Conditions

1. If not specified otherwise in the purchase contract, payment between the Seller and the Buyer shall be performed via a tax document (invoice) and the direct deposit system. All payments shall be due within 14 days from the tax document issuance.
2. Payments shall be deemed complete when the due payment to be paid is credited in full to the Seller's bank account.
3. In the case the Buyer is in default with paying the due payment, the Seller shall be entitled to charge the Buyer a contractual penalty amounting to 0.05% of the amount due for every, even commenced, day in default.
4. In the case the Buyer is in default with paying, the Seller shall be entitled to retain all deliveries not accomplished so far in all the purchase contracts with the Buyer; such a delivery retention shall not be deemed a breach of contract.

VI. Ownership Right and Risk of Damage

1. The Buyer shall gain title to goods after paying the purchase price in full through direct deposit to the Seller's bank account. The liability for damage to the goods shall pass to the Buyer once the Buyer takes and accepts the goods from the Seller, or if the Buyer does not do so in due time during the period the Seller allows the Buyer to handle the goods and the Buyer breaches the contract by not taking over the goods..
2. If the Seller is obliged, by virtue of the contract, to hand over the goods to a hauler, the risk of damage to the goods shall pass to the Buyer once the goods are handed over to the hauler at the agreed upon place.
3. Any damage incurred to the goods after the risk of damage to the goods passed to the Buyer shall not acquit the Buyer of the duty to pay the Seller the purchase price.

VII. Goods Defects Liability

1. If the goods delivered do not meet the terms and conditions stipulated in the purchase contract in terms of quantity, quality, workmanship or packing, they shall be deemed defective. The Buyer shall be obliged to prove the defects to the Seller in a credible manner.
2. Any claims of the Buyer raised in connection with delivering defective goods shall cease if not presented in writing; claims related to apparent defects shall cease by accomplishing deliveries by the Seller. The time for settling hidden defects shall be 6 months. The Buyer shall provide in its complaint all the necessary details of the defect. The Seller shall be entitled to inspect the goods for which a claim is filed, or have them inspected by an authorised person.
3. The Seller may, at its discretion, either replace or repair the defective goods or components, have them repaired by another party, or provide a reasonable discount on the purchase price.
4. If the Seller requests the return of the defective product or parts thereof for repair, it shall bear all the cost and risk related to the defective product's transport, as well as to the dispatch of the repaired or replaced product, providing the Buyer's complaint is justified.
5. Replaced defective components, parts or products shall remain the property of the Seller and the Buyer shall be obliged to return them to the Seller when asked by the Seller, or to store them to allow them to be inspected by the Seller's representative.
6. The warranty for products or product components the Seller itself buys from subcontractors and does not alter shall be the same as the warranty a subcontractor provided to the Seller.
7. If a product is made according to a design, drawing, or a model provided by the Buyer, the Seller's warranty shall not cover the correctness of the Buyer's design, drawing or model except for faultless workmanship in compliance with data provided only by the Buyer.. In such a case, the Buyer shall also assume all the risks related to any possible infringement of third party intellectual property rights.

VIII. Circumstances Precluding Liability

1. Circumstances precluding liability are those that cannot be foreseen at the time the contract is signed and that shall prevent the Seller from accomplishing its obligations, and which the Seller cannot avert with reasonable care, such as war, riots, unrests, strikes or trade, monetary, political or other measures taken by authorities; natural disasters such as fire, floods, earthquake and others; any delay in accomplishing deliveries of components and materials that is not the Seller's fault, traffic disruptions, and similar events of Force Majeure that affect the Seller's obligations.
2. The Seller shall be, without any unnecessary delay, obliged to notify the Buyer of the impediment preventing, or shall prevent, it from accomplishing its obligations, and the consequences such a delay causes.
3. In the case of Point 1, the Seller shall be entitled to extend the performance period of time with the time the impediment lasted, along with a reasonable time needed for starting up its regular operation, or void the contract without any obligation to provide the Buyer any compensation of damage++.

IX. Withdrawal from the Purchase Contract

1. The Seller and the Buyer shall be entitled to void the purchase contract, in addition to other instances stipulated by legal regulations and by the General Commercial and Delivery Terms Conditions, if the other Contracting Party grossly violates or breaches its obligations ensuing from the purchase contract. The following shall primarily be considered gross violations or breaches:
 - a) Any Buyer's default with paying the purchase price or any other amounts due according to the purchase contract or these General Commercial and Delivery Terms and Conditions;
 - b) Any Seller's default with delivering the goods, except that in Point 4 of Article 4.
2. The voiding of the purchase contract shall only be effective when the written notice of the Contracting Party voiding the purchase contract is delivered to the other Contracting Party. The purchase contract withdrawal notice must state the specific reason for the voiding the contract. In the case that doubts are raised between the Contracting Parties regarding the day of delivering the purchase contract withdrawal notice, the third day after the notice dispatch shall be deemed the day of delivery.

X. Choice of Law

The legal relationship, i.e. the rights and obligations of the Contracting Parties ensuing from the purchase contract, their enforcement, changes and cessation shall explicitly be subject to Czech law, specifically the provisions of Act No. 513/1991 Coll., the Commercial Code, as amended.