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## Business conditions – revision 1/2018-01-15

The scope of Goods deliveries is stipulated in the Contract, which shall be understood as an unreserved acceptance of the offer, a purchase contract, any other type of an agreement – a Contract. The Goods shall be understood as Products or Services, spare parts. The Supplier shall also be the seller, the Customer shall also be the purchaser, if stipulated as such in the Contract, or any other designation of the contracting parties used in the Contract.

### Article 1 - Invoicing and Payment of the Price for the Goods

- 1) The Purchaser is obliged to pay to the Seller the purchase price for the delivered Goods in the agreed upon amount. The supporting document for payment of the price (advance payment) being an invoice. The right to invoice shall arise according to terms and conditions of the Contract. The due date of payment being the date of the amount placement to the Seller's account. Provided advances will be settled in the final invoice.
- 2) Unless otherwise stipulated, all payments shall be made by the Purchaser by a cashless transaction, by a payment order to the Seller's account; the invoice number shall be used as the variable symbol.
- 3) Should the Price not be paid within its maturity, the Seller shall have the right to prolong the agreed upon delivery period. In case of a default in payment, the Purchaser will pay to the Seller a contractual penalty in the amount of 0.2 % a day from the overdue amount, in this case the Seller is also entitled to withdraw from the Contract. In case of the Purchaser's delay with any of its payments by more than 15 days the yet undue receivables of the Seller (especially installments) shall become immediately due. Payment of the contractual penalty shall have no effect on the Seller's right to compensation of damages.
- 4) All documents which relate to the Contract must be delivered to the other party either personally, or through a postal license holder to the address given in the Contract.
- 5) Should the efforts for delivery of any document to the Purchaser's address provided in the Contract be unsuccessful, or should the receipt thereof be refused, the document shall be deemed delivered by expiry of the 3rd day of the document depositing at the Post.
- 6) The Purchaser is not entitled to retain the Price for the delivered Goods or any part thereof. The Purchaser is not entitled to unilaterally set-off its receivable from the Seller with the Seller's receivable arising from the Price of the delivered Goods.
- 7) The Seller has the right to reject an offer or to suspend the Goods deliveries with respect to the Purchaser, who is in default of payment of its pecuniary obligations towards the Seller.
- 8) If not agreed upon otherwise the Prices provided in the Seller's price list, offer or Contract are prices without VAT and free of any transportation, packing, Goods insurance costs and in case of deliveries outside the territory of the Czech Republic also free of any costs associated with Goods export, i.e. taxes, custom fees, charges and any other expenses collected outside the Czech Republic.

### Art. 2 – Place and Manner of Performance, Delivery Terms and Conditions

- 1) Fulfillment of the Seller's obligation to deliver the Goods shall be understood as performance of its delivery to the Purchaser within the agreed upon delivery period and to the place of performance. If other place of performance is not stipulated in the Contract, it shall be deemed that the Seller fulfilled its obligation to deliver the Goods by enabling to the Purchaser to handle the Goods in the place of the Seller's registered office. If the Purchaser is in delay with the Goods takeover, the Seller is entitled to store the Goods at the Purchaser's costs. The Seller will notify the Purchaser of such a fact without any undue delay and will inform the Purchaser of the storage costs. The Seller is entitled to keep the Goods until the Purchaser has paid the storage costs incurred.
- 2) If the Contract stipulates that the Goods shall be delivered to the Purchaser to a certain place, the Seller shall fulfill its obligation to deliver the Goods by handing the Goods over to the first carrier for transport to the Purchaser. The Purchaser undertakes to pay to the Seller, or a designated carrier, for the transport according to the contractual price for the transport. Unless agreed upon otherwise, the price of the Goods transport is not included in the Purchase Price.
- 3) The Goods (products) shall be delivered free loaded or in transportation packing. Delivery note shall form a part of the Goods delivery.
- 4) The Seller shall not be in delay as a result of inevitable events, Force Majeure, actions of the authorities, transport and customs delays, strikes, lock-outs, natural disasters. Circumstances of Force Majeure include, however are not limited to, strikes, epidemics, fires, floods, tidal waves, civil disorders, mobilization, war, insurrections, Goods confiscations, embargos, foreign currency transfer prohibition, enforced regulation of electricity supply, terrorist attacks, etc. Should the effects of Force Majeure last for more than 3 months, any of the parties shall be entitled to withdraw from the Contract.
- 5) The Seller shall not be in delay with the Goods delivery, should the reason for delay be the Purchaser's failure to provide assistance or any other cooperation.
- 6) The title to the Goods shall be acquired by the Purchaser as of the day of full payment thereof. The risk of damage to the Goods passes to the Purchaser on the day on which fulfillment of the Seller's obligation to deliver the Goods to the Purchaser has become effective.

- 7) The total amount of compensation of damages that may be incurred in relation to the Contract performance as foreseeable damages that may be claimed by a contractual party is limited by the amount equal to 30% of the contractual Price for the Goods.

### **Art. 3 – Rights from the Liability for Defects, Warranties**

- 1) The Seller is obliged to deliver the Goods in the quantity, quality and within time limits confirmed by the Seller. Should the contractual obligations be fulfilled by the Purchaser, the Seller provides the warranty for the Goods, for its common use for the intended purposes, in the period stipulated in the Contract, and if not provided in the Contract, then in the period per the STROS-Sedlčanské strojírny a.s. Claim Procedure. The warranty period starts on the day of the Goods delivery. The wording of the Business Conditions prevail over the wording of the Claim Procedure.
- 2) If any defects are discovered in the delivered Goods, the Purchaser has the right to claim the defects. The Seller shall not be liable namely for defects that originated as a result of transport of the Goods by the Purchaser, defects caused by unprofessional assembly and/or as a consequence thereof, and if the assembly, repairs and changes to the Goods have been made by the Purchaser or any third person or caused by other activities of the Purchaser or any third person. The Claim Procedure –revision 1/2018-01-15, which is on the Seller's websites [www.stros.cz](http://www.stros.cz) - specifies the claim process details.
- 3) Any claim can be accepted only if it is submitted in writing and on the prescribed form within 5 days from the defect discovery. The defect claim must, besides others, contain: the contract number, lifting equipment serial number (if lifting equipment is the object of the contract), defect description or detailed specification of how the defect is demonstrated, photo documentation. According to its nature the defect can be rectified either by replacement or by repair of the defective part of the Goods subject to the claim, or by a discount from the price of the Goods if the defect does not hamper the use of the Goods. The manner of rectification of the defect the choice of the Seller. Only the Purchaser is entitled to exercise the rights resulting from the defects.
- 4) In case of lifting equipment (passenger-freight, freight and permanent lifts, suspended platforms, work platforms) the claim can be accepted only if the Purchaser has personnel (operators and service staff, assemblers, engineering inspectors) trained in the Seller's manufacturing plant prior to the lifting equipment shipment and holding the certificate of training by the manufacturer. The personnel shall be trained by the Seller (manufacturer) for equipment assembly and disassembly and usual maintenance. Training may be carried out either in the Seller's production plant or at the place of the lifting equipment assembling. A record in the operational documentation of the relevant lifting equipment must be made of training. The Purchaser shall enable a check of a technical condition of the lifting equipment twice a year, and a check whether regular maintenance in the scope of the operational documentation has been carried out the part of which being a manual for the operation and maintenance. A record in the operational documentation of the relevant lifting equipment (the lift book) will be made of the carried out check. The Purchaser (user) of the lifting equipment is obliged to appoint a person responsible for the lifting equipment operation and service. In the operational documentation the person responsible for the lifting equipment operation and service must chronologically enter all records on the lifting equipment operation, malfunctions, repairs and service in accordance with the operation and service manual and all important facts relating to the lifting equipment operation. Correct function of the lifting equipment may be guaranteed only if the maintenance rules and the conditions of use according to the manual are complied with.

### **Art. 4- Other Provisions**

- 1) Legal relationships of the Contractual Parties not expressly covered by the Contract, its attachments and these Business Conditions shall be governed by the legal regulations of the Czech Republic.
- 2) The contracting parties expressly acknowledge and agree that the court having local jurisdiction for both contracting parties is the court designated according to the place of the Seller's registered office.
- 3) Should any provision of the Contract differ from, or be in a conflict with, the wording of the Business Conditions, such a provision shall prevail over the wording of the Business Conditions.
- 4) Should the contracting parties in the offer or the offer acceptance refer to conflicting Business Conditions, the Contract shall be concluded despite such fact and the Contract contents shall be definite in the scope, in which the Business Conditions are not in a conflict; the same shall be applicable also should such a rule be precluded by business conditions of any of the contracting parties.

### **Art. 5 – Special Provisions**

- 1) The period of limitation for pecuniary obligations is stipulated to four years.
- 2) Written form is also maintained in a legal act performed by electronic or any other technical means enabling capturing of the content thereof and designation of the acting person. It is assumed that records of data about legal acts in the electronic system are reliable if they are made systematically and chronologically and are protected against changes. The contract formation is a subject to the necessary agreement on its entire content without any reservations expressed in a written form.
- 3) The Seller is not liable for damages incurred as a result of factually incorrect or otherwise erroneous assignment received from the Purchaser.
- 4) Accompanying technical documentation, if delivered by the Seller together with the Goods, is the intellectual property of the Seller and is a subject to protection pursuant to the Industrial or any other Intellectual Property Law. This documentation may be used only in connection with the purpose of use of the Goods, the Purchaser may not use it in any other way, or make it available to third persons without a prior consent of the Seller. For its products and services the Seller uses the ®STROS trademark, which is a registered trademark.
- 5) The contracting parties declare that they have acquainted themselves in detail with the entire content of the Business Conditions. These Business Conditions are posted on [www.stros.cz](http://www.stros.cz).