

GENERAL TERMS AND CONDITIONS OF SALE RUBENA - SBU SV

For deliveries of products, goods and services supplied by Rubena a.s. - SBU SV (the "Special Production" Strategic Business Unit), especially for the following product groups: V-belts, bellows type air springs, rail-foot underlays, pipe compensators, rubber-coated rollers, bags and tanks and for the entire product range sold by the Wholesale Warehouse

1. Definitions and Scope of Application

These General Terms and Conditions of Sale (hereinafter the "Terms and Conditions") shall apply to all business relationships entered into between Rubena a.s., "Special Production" SBU, with its registered office at Akademika Bedrny 531/8a Věkoše, 500 03 Hradec Králové, Corporate ID No.: 00012131, registered in the Commercial Register kept by the Regional Court in Hradec Králové, Section B, File 91 (hereinafter the "Seller") and other parties (hereinafter the "Buyer").

All business relations shall be governed by the law of the Czech Republic. The legal relationships of the Seller and the Buyer that are covered neither by these Terms and Conditions nor by an individual contract shall be governed in particular by Act No. 89/2012 Coll., The Civil Code, as amended (hereinafter the "Civil Code") and by Act No. 634/1992 Coll., On Consumer Protection, as amended.

These Terms and Conditions are the Seller's fundamental terms and conditions for the sale of goods and if they deviate from any default rules of the law in force in the Czech Republic they shall prevail over such rules.

Any different terms and conditions of the Buyer shall only apply with the Seller's express written consent.

2. Entering into Contracts

Individual purchase contracts shall be entered into on the basis of the Buyer's written orders. The Buyer's order must include at least the following information:

- a) the Buyer's surname, name or commercial name, registered office or place of business;
- b) the Buyer's Corporate ID No. (Tax ID No., if the Buyer is registered as a VAT payer);
- c) type of product (goods) that clearly defines the subject matter of the order, as specified in the Seller's pricelist or quotation;
- d) the required quantity of products (in pieces);
- e) the place and date of delivery;
- f) the method of transport and the method of payment of the purchase price of goods; and
- g) a legible signature of the Buyer's authorized representative.

Such an order shall be deemed as the Buyer's proposal for entering into a purchase contract. The Buyer shall be bound by its proposal for a period of fourteen (14) days.

Based on the Buyer's order that meets the above-mentioned requirements, a purchase contract shall come into existence upon the Seller's acceptance of such an order. The Seller shall issue the Buyer with an order confirmation in which the Seller shall confirm to the Buyer the type, the expected purchase price, the quantity of products that the Seller agrees to deliver to the Buyer, the place and date of delivery, the method of transport and the method of payment of the purchase price. This acceptance shall be confirmed by the Seller promptly after acceptance of the Buyer's order and shall be done by an e-mail message to the e-mail address provided in the Buyer's order.

In the event of the Buyer's proposal for a change to an order, the Seller shall inform the Buyer if such a change can be made. If yes, the Seller shall again issue an order confirmation in which the Seller shall confirm to the Buyer the type, the expected purchase price, the quantity of products that the Seller agrees to deliver to the Buyer, the place and date of delivery, the method of transport and the method of payment of the purchase price. A purchase contract between both parties, which shall have the form defined in a subsequent order confirmation, shall be deemed to have been entered into at the moment when the confirmation of a changed order is received by the Buyer. The factual execution of an order may also be deemed as an order confirmation.

Before entering into the first purchase contract between the Seller and the Buyer under their business relationship, the Buyer must submit to the Seller a proof of authorization to carry out the Buyer's business activities (a valid extract from the Commercial Register, a trade certificate or a concession trade licence).

The Buyer undertakes to accept the thing or service concerned and properly pay for it by the agreed deadlines.

3. Prices

Unless agreed otherwise, the purchase price shall be EX WORKS (INCOTERMS 2010), without transportation costs, packaging and insurance. The price shall be mean a price exclusive of value added tax. Any quotations, pricelists or preliminary pricing data are for reference only and the Seller shall only be bound by a signed purchase contract or by a confirmed order. In the event that after entering into a contractual relationship there is a significant change in the costs relating to the performance of the contract, the contractual parties shall agree in writing on a price modification.

4. Packaging

Unless expressly agreed otherwise, goods shall be packaged in a standard manner so as to prevent damage to goods during transport to the agreed destination.

5. Place and Time of Performance

The Buyer hereby undertakes to accept (i.e. take over) the goods delivered. The Buyer may not refuse to accept any goods unless such acceptance is prevented by any discrepancy between the tax document (invoice) and the actual situation. The Buyer shall confirm acceptance of goods by signing a delivery note or a tax document. If any conflict is later found between the quantity of the goods actually delivered and the quantity specified in the delivery note, it shall no longer be possible to raise any claims.

The delivery date shall be the date of sending goods or handing over goods for transport or acceptance of goods at the Seller's despatch facility or shop. Partial deliveries are allowed after an agreement with the Buyer.

If the Buyer fails to accept a product by the agreed date and at the agreed place, it is agreed that the Seller may require the Buyer to pay a storage fee.

If the Buyer requires any later changes, the Seller shall be released from the obligation to meet the agreed delivery date. If the Seller is late with a delivery for reasons for which the Seller is responsible or if the Seller breaches any other obligations arising from the contractual relationship, then the Seller's potential liability for damage and for a breach of obligations shall be limited by an amount equal to the maximum value of the delivery concerned.

6. Despatch and Transfer of Risk

Unless agreed otherwise, the transport of any contractual goods shall be arranged by the Buyer itself, at its own expense and risk. Any goods sent by the Seller shall be at the expense and risk of the Buyer. Upon handover of goods to a carrier or forwarder from the Seller's warehouse, the risk of damage or loss shall be transferred to the Buyer. Insurance coverage for the transport of goods shall be arranged for by the Seller only if this is agreed in writing in the purchase contract.

7. Defective and Late Performance

The Seller shall be liable to the Buyer for defects in goods under section 2099 of the Civil Code. The Seller shall only be liable for defects that already existed at the time of handover and shall not be liable for any defects suffered by the customer that arise from any wear and tear during operation, as a result of inappropriate or excessive use or use on inappropriate equipment or that arise after delivery to the Buyer as a result of mechanical, chemical or thermal influences.

The Buyer shall inspect goods as soon as possible. If the Buyer collects goods in person, it shall inspect such goods promptly after acceptance. If the Buyer discovers any defect in goods at the place of collection of goods, it shall promptly report such a defect to the Seller. A defect discovered by the Buyer and recognized by the Seller shall be removed by the Seller free of charge and without undue

delay either by delivering the missing goods or by delivering substitute goods in lieu of the defective goods. If it is not possible to promptly remove a defect or to deliver substitute goods, the Seller shall do so on the nearest possible date. The Seller shall notify the Buyer of this date.

If goods are delivered to the Buyer by a carrier, the Buyer shall raise any claim arising from defective performance as regards the quantity or type of the goods being sold within three (3) business days after handover of goods by the carrier. Any such claim shall be raised by the Buyer with the Seller within this time-limit and in writing, including a detailed description of the defect in question. In the event of a defect in the type of goods, the Buyer may demand delivery of the missing goods or delivery of substitute goods. The Buyer may demand delivery of substitute goods only if the defective goods are returned to the Seller in the original packaging. However, the Buyer may not demand delivery of substitute goods, if the Buyer cannot return goods in the condition in which they were received by the Buyer. A defect discovered by the Buyer and recognized by the Seller shall be removed by the Seller free of charge and without undue delay either by delivering the missing goods or by delivering substitute goods in lieu of the defective goods. If it is not possible to promptly remove a defect, the Seller shall do so on the nearest possible date. The Seller shall notify the Buyer of this date.

Detailed technical specifications and properties of a product may be defined by the Technical Conditions of Delivery which may be obtained from the Seller. These are not sent as a standard with goods, unless both parties agree otherwise. For specific products the Seller may require the Seller's acceptance of the conditions of operation, packaging, storage, transport, maintenance, etc.

8. Payment Terms and Reservation of Title

Unless an advance payment or cash payment at the Seller's cash desk is agreed, the Buyer shall pay each tax document in full and by the deadline specified in such a document. The Seller shall issue a tax document upon delivery of goods to the Buyer. In case of doubt, the Buyer shall be deemed to have received this document on the 3rd day after delivery of goods. An invoice issued may also serve as a delivery note and constitutes a proof of delivery of goods to the Buyer and, in case of a consignment, it confirms the despatch of such a consignment. In the event of a failure to meet the payment deadline of an invoice the Buyer shall pay a late charge of 0.05% of the amount invoiced for each day of the delay until the entire amount invoiced is paid. Until payment of the entire amount invoiced, including any potential contractual penalties, goods shall remain the property of the Buyer. After payment of the full amount, title shall be transferred to the Buyer.

If an invoice is not paid by its due date, the Seller may demand that the Buyer return the goods that is the property of the Seller and the Buyer agrees to ensure that such goods are returned to the Seller.

The Buyer's obligation to pay a contractual penalty, late charge or damages, as well as any other expenses related to the taking back of goods and withdrawal from the contract shall not be affected. The Seller may use the Customer's payments for the payment of any older invoiced items that are due, including the related late charges and contractual penalties and other expenses in the following order: expenses, contractual penalties, the main amount receivable.

The Seller reserves the right not to make any further deliveries if there are any past-due receivables from the Buyer.

9. Confidentiality and Personal Data Protection

Technical data, drawings, moulds and samples are of confidential nature and shall remain the property of the Seller, as well as any and all industrial rights and copyrights. The Buyer may use these only with the Seller's consent. If the Seller delivers products specified according to drawings, models or samples handed over by the Buyer, the Buyer shall guarantee that the production and delivery of these products do not infringe any industrial rights or copyrights of any third parties or, as the case may be, shall compensate the Seller for any damage caused.

The Seller shall also keep any and all information obtained about the Buyer in accordance with Act No. 101/2000 Coll., On Personal Data Protection, as amended, and other laws and regulations of the Czech Republic. By sending an order, the Buyer grants to the Seller the consent with the processing and collection of the Buyer's personal data in the Seller's database until this consent is revoked in writing. The Seller undertakes that the personal data stated in the order form will be used only for the performance of orders and will not be disclosed to any third party. An exception to this rule are situations where a third party is required during the performance of an order (e.g. a transport service).

10. Other Provisions

The Seller reserves the right to change or amend these Terms and Conditions, especially in the event of a change of the related legislation or in the event of a change of the method of doing business. Any change or amendment, including the effective date thereof, shall be announced by the Seller in a suitable manner.

The Seller shall not be liable to the Buyer for any damage caused by circumstances excluding liability, e.g. government interventions, disruptions of operations, transport or energy supplies, failures of electronic trading systems, strikes or lockouts. These circumstances shall constitute a reason for postponing the performance of any contractual obligations by the Seller during and to the extent of effectiveness of these circumstances. The same shall apply if these circumstances affect the Seller's subcontractors. The Buyer undertakes to promptly notify the Seller of any changes concerning the Buyer's authorization to do business, tax obligations (especially a change of the Tax ID No. and the tax administrator), bank account or the Buyer's becoming insolvent. If the Buyer becomes insolvent, any and all of the Seller's receivables from the Buyer shall become due and payable on the day when the Seller learns about this insolvency. In this case, the Seller may demand immediate return of any goods that have not been paid for yet. The written form of a legal act (act in law) shall be deemed to have been complied with if such a legal act is performed by electronic means that allow for capturing the content of such a legal act and for identifying the person who performed such a legal act.

If the Buyer refuses or thwarts the delivery of a notice from the Seller, then such a notice shall be deemed to have been delivered on the date of such refusal or thwarting.

These Terms and Conditions shall come into force on 1 May 2016.