

General Terms and Conditions of Sale

The Parties

1. These General Terms and Conditions (hereinafter the “GTC”) provide for the contractual relationships in the supply of products, services or any other supplies by CompoTech PLUS, spol. s r. o., Id. No. 635 07 412, a company with its registered office at 342 01 Sušice, Nová 1316 (hereinafter the “Seller” or “CompoTech”) to the business partner – the buyer (hereinafter the “Buyer”), entered into pursuant to Act No. 89/2012 Coll., the Civil Code, and are binding for every business contact with the Seller.
2. In these GTC, the term “CompoTech” means CompoTech PLUS, spol. s r. o.

Applicability

3. These GTC define and specify in detail the rights and obligations of the Seller and the Buyer and their up-to-date wording is an integral part of the purchase agreement; they are valid and effective from 25 April 2018 and replace any and all previous general terms and conditions.
4. Any other conditions may be agreed only through a written mutually confirmed contract or written agreement. Any derogating written arrangements of the Parties shall prevail over the provisions of these GTC; otherwise these GTC shall apply to the full extent.

Delivery Date

5. The exact date of delivery of goods shall always be determined in an individual contract and on the basis of agreement of the Parties. For the purposes of these GTC, it is expressly stipulated that a contract shall be deemed concluded also upon confirmation of an order without reservation; the contract is concluded at the time when CompoTech confirms the order.

Payment

6. The Buyer shall be obliged to pay the purchase price for the delivered products (goods) on the basis of a tax document/invoice within the maturity period specified in the tax document. The purchase price is paid upon crediting of the payment into the Seller’s account or collection of the payment from the Buyer in cash.
7. To ensure proper identification of the payment by the Seller, the Buyer shall be obliged, in making a payment by wire transfer, to indicate accurately all the data required for the payment by the Seller. The Buyer is particularly obliged to specify the number of the invoice – tax receipt by which the purchase price of the goods was charged.
8. In case of delay with payment of the purchase price for a delivered product (goods), the Seller shall be entitled to request that the Buyer pay an interest charge of 0.05% of the purchase price of the goods for each day of delay.
9. In case of the Buyer’s delay with payment of any tax documents/invoices or other pecuniary liabilities towards the Seller, the Seller reserves the right to suspend deliveries of other products to the Buyer until due payment of all outstanding tax documents/invoices or liabilities which have become payable. This suspension of deliveries shall not cause any delay on the Seller’s part.

Ownership

10. The Seller and the Buyer have expressly agreed that until payment of goods in full:

- 10.1. the goods covered by the contract shall remain the ownership of CompoTech and the Buyer shall therefore acquire ownership of the goods only upon payment of the purchase price into the Seller's account in full or acceptance of the payment in cash from the Buyer. However, the risk of damage to the goods shall pass to the Buyer upon acceptance of the goods from the Seller or, if the Buyer fails to accept the goods from the Seller in time, the risk of damage shall pass to the Buyer at the time when the Seller allows him to dispose of the goods. If, based on agreement of the parties, the Seller is obliged to deliver the goods to a carrier at a certain location for transportation of the goods to the Buyer, the risk of damage to the goods shall pass to the Buyer upon its handing over to the carrier at the specified location. If the parties have agreed that the Seller is obliged to dispatch goods but the Seller is not obliged to hand over the goods at a specified location, the risk of damage shall pass to the Buyer upon handing over of the goods to the first carrier for transportation to the place of destination. The term 'carrier' means, without limitation, a legal or natural person carrying out business in the area of transportation of goods and logistics.
- 10.2. CompoTech may at any time withdraw delivered goods from the Buyer's possession if the purchase price has not been not paid by the Buyer to CompoTech within the maturity period; the Buyer shall be obliged to provide the Seller with co-operation in the withdrawal of the delivered goods, in particular to allow the Seller's free access to premises, buildings and land where the goods are stored. Furthermore, the Buyer shall be obliged to take care of delivered goods of which he has not yet acquired ownership in such a way as to prevent devaluation, damage, loss, destruction, theft or any other decrease in the value of the goods.
- 10.3. if the Buyer fails to pay the purchase price of the delivered goods in the sense of subparagraph (a) of this Article of the GTC, the Buyer shall be entitled, in carrying out its business, on the basis of the written consent of CompoTech, to sell the goods on the account of CompoTech to a third person (a client of the Buyer); however, no guarantees, conditions or representations provided or made by the Buyer or any third party shall be binding upon CompoTech and the Buyer shall hold CompoTech harmless in respect of them towards any third persons who are in contractual relationships with the Buyer. Thus, this paragraph provides for the only exception where the Buyer is entitled to dispose of the delivered goods and sell them to a third person, notwithstanding the fact that the purchase price for the delivered goods has not yet been paid and the buyer has therefore not yet become the owner of the relevant goods. If such a sale is the case, the Buyer shall have a fiduciary obligation towards CompoTech to provide it with an account for the proceeds from the sale; however, the Buyer may retain any proceeds in excess of a due amount under the present contract or any other contract on sale between them, and CompoTech shall further be entitled to collect the Buyer's price directly from the Buyer's customer up to the outstanding amount; if CompoTech uses this right, it shall provide the Buyer with an account for the aforementioned proceeds in excess of the outstanding amount, after deduction of the costs incurred by CompoTech in connection with such collection.
- 10.4. if the Buyer includes delivered and yet unpaid goods in other products (by adding his own or other parties' goods) or uses them as material for other products (whether adding other goods or not), the ownership of such products or any other products involved in the inclusion or use shall be deemed ipso facto transferred to CompoTech and the Buyer, as its depositor, shall duly deposit them for CompoTech free of charge; in case of the inclusion or use as contemplated in this subparagraph, the provisions of Art. 5 (b) to (c) above shall apply to other products *mutatis mutandis*.

Specification

11. If the goods are supplied on the basis of the Buyer's order according to a technical specification required by the Buyer, the Buyer shall be obliged to deliver such full specification to CompoTech within a reasonable period so as to enable the Seller to duly deliver the goods.

Conditions and Warranties

12. Unless CompoTech accepts an express written warranty for a product, there is no explicit or implicit warranty in terms of quality, life or wear of the supplied goods or warranty for fitness of the goods for a particular purpose or for use under any specific conditions notwithstanding whether the Seller is aware or has been advised of such purpose or conditions. The specification of a purpose in the contract or an order serves for information purposes only.

Defective Goods

13. The Buyer shall be obliged to inspect delivered goods immediately or immediately provide for their inspection depending on the circumstances after their acceptance. The Buyer shall be obliged to notify the Seller of any defects to the goods in writing without unnecessary delay after acceptance of the products. A written notification of ascertained defects must contain a detailed specification of the claimed defects to the goods and their manifestation as well as specification and documentation of justifiability of the claiming of defects by the Buyer.
14. If, on the basis of a notification of ascertained defects which was duly documented and justified, the Seller acknowledges justifiability of the raised claim, the Buyer shall be entitled to elimination of the defects preferentially by repair the goods or delivery of missing non-delivered goods.

Claims Following from Damage, Incomplete Delivery or Loss

15. Any claims following from damage during transportation, incomplete delivery or loss of goods shall not be acknowledged unless, in case of damage in transportation or incomplete delivery, the relevant carrier and CompoTech are each separately given a written notification of this fact within three (3) days of acceptance of the goods and a subsequent written claim within ten (10) days of acceptance of the goods and, in case of loss of the goods, the relevant carrier and CompoTech are each given a written notification and a full written claim within seven (7) days of the date of dispatch of the goods. If the relevant carrier accepts the goods without inspection, the "without inspection" note must be made in the carrier's delivery log.

Refusal to Deliver Goods

16. CompoTech shall be entitled to deny the delivery of goods if the Buyer is delayed with performance of any contractual obligations owed by him vis-à-vis the Seller or if the Buyer breaches the contract or any obligation owed by him vis-à-vis the Seller or if the Buyer has entered into liquidation, insolvency proceedings have been initiated or distraintment or enforcement of a decision ordered against the Buyer or there is a justified concern that the performance of obligations by the Buyer (including those which are not yet payable) is seriously threatened in any manner whatsoever. In all these cases, the Seller shall not be deemed to be delayed with delivery of the goods.

Returning of Goods

17. No goods shall be accepted as returned without the prior written authorisation from CompoTech and relevant legal grounds. All goods accepted as returned on the basis of CompoTech's consent shall be subject to a handling fee which shall be applied by CompoTech as a percentage of the amount invoiced for the relevant goods based on the Seller's up-to-date price list. If CompoTech produces or purchases goods specially based on the Buyer's specification, it reserves the right to refuse the Buyer the right to return the goods.

18. In case of returning delivered goods, the Buyer shall be obliged to hand over the goods to the Seller in the condition in which they were delivered to him and in the original packaging.

Withdrawal from Contract

19. The Parties may withdraw from the contract in cases stipulated by law, the contract and the GTC.

Exemption from Liability

20. The Buyer shall exempt CompoTech from liability for all indemnification, penalties, costs and expenses which CompoTech may be liable to pay as a consequence of work performed in accordance with the Buyer's specification, including breach of any patent deed or registered industrial design.

Choice of Law

21. Contracts, and all legal relationships and entitlements following from them, shall be subject to the laws of the Czech Republic, where the substantively and locally competent court shall have jurisdiction.

Licence and Availability of Goods

22. CompoTech accepts contracts and orders provided that it obtains the licences necessary for purchasing or using the required raw material or tools or other goods (hereinafter jointly and individually as 'goods') and provided that CompoTech is able to obtain such goods. Copyright, as well as other intellectual property rights, continue to belong to the relevant parties as the right holders and are not prejudiced by this contractual relationship.

Price Variation

23. Any price indicated by CompoTech or contained in an order or contract is only preliminary and is subject to the following conditions:

23.1. The following conditions apply to all orders and contracts:

23.1.1. In case of orders or contracts for any parts thereof accepted for delivery within six months of the date of acceptance of the order or contract, the price shall not differ for any reason whatsoever except when CompoTech is unable to obtain the goods contained in the given order or contract with a fixed amount; in that case, the price shall differ based on the amount for which CompoTech is able to purchase the respective goods.

23.1.2. In case of orders or contracts or any part thereof received for delivery later than six months from the date of acceptance of the order or contract, the price shall be subject to a variation which may occur by the date of shipment of the goods and by the date of every additional shipment as a result of increased costs for CompoTech, including costs of the goods.

23.1.3. The price shall differ as a result of the imposition of any tax, charge or other financial obligation of a similar nature (except for tax on the profits of CompoTech or payments such as reimbursable advances).

23.2. If CompoTech obtains goods from a supplier outside the Czech Republic, the price of all orders or contracts or any part thereof shall differ as a result of all exchange rate fluctuations in the currency of the country in which CompoTech purchases such goods.

23.3. In addition, a charge for the costs of packaging, packaging materials, insurance and delivery of the goods to the place of destination shall be charged for each shipment. The amount of the aforementioned charge shall correspond to the amount applicable on the date of shipment.

Acceptance of quotation

24. The acceptance of a quotation drawn up by CompoTech cannot be regarded as conclusion of a binding contract until CompoTech confirms in writing the order which arose through such acceptance.

Additional Limited Warranty

This Limited Warranty is in addition to the above Terms and Conditions of Sale, Para 12, and is subject to the conditions below being met:-

CompoTech Warrant their products to be free of defects in materials or workmanship and will replace free of charge any products of their make that is proven to be inadequate subject to the following conditions:-

1. That a clear specification or design criteria are presented to CompoTech by the Customer, or his Engineering Consultant.
2. That the Customer, or his Engineering Consultant, agree to and accept responsibility for the interpretation of that specification or design criteria as presented by CompoTech.
3. That CompoTech, or it's sub contractors, shall not accept any responsibility for any consequential loss or any third party loss as a result of a failure to meet the specification or design criteria.
4. This Warranty is limited to 1 year from the invoice date of the product.
5. This warranty is not valid if the products have been subjected to forces outside the design criteria or those that the specification can cope with.
6. In the case of a Warranty claim, CompoTech reserve the right to repair, improve or replace the product.
7. In order to claim under this Warranty CompoTech must be notified of the problem in writing and must agree to the claim.
8. For an agreed claim the product must be returned to the CompoTech Manufacturing facility in the Czech Republic for inspection and testing. If it is subsequently replaced the original product will become the property of CompoTech.
9. CompoTech shall not be responsible for any shipping or other expenses incurred during the course of a warranty claim.