



## **GENERAL TERMS AND CONDITIONS**

### **I. GENERAL PROVISIONS**

- 1. The business conditions apply to all deliveries and other services provided by CHEOPS SPOL. S R.O./KOPECKY-CHEOPS S.R.O./KOPECKY-CHEOPS, S.R.O..*
- 2. The business conditions of the other contracting party are valid only if they were explicitly approved in writing by CHEOPS SPOL. S R.O./KOPECKY-CHEOPS S.R.O. for a specific business case.*
- 3. Unless otherwise stated in the text of each individual contract, all commercial obligations shall be governed by these terms and conditions.*
- 4. In the event that it is not stipulated otherwise in the contract / confirmed purchased order or in these General Terms and Conditions, the provisions of the Civil Code valid in the Czech Republic, Act no. 82/2012 applies.*

### **II. OFFERS AND INFORMATION**

- 1. The offers of CHEOPS SPOL. S R.O./KOPECKY-CHEOPS S.R.O., unless expressly stated otherwise, are non-binding and revocable.*
- 2. All declarations, agreements and contracts become valid by express written acceptance by CHEOPS SPOL. S R.O./KOPECKY-CHEOPS S.R.O. signed by an authorized representative of the company.*
- 3. Telephone information and information from personal meetings of the contracting parties are non-binding until the above confirmation by an authorized representative of the company, as well as the data contained in prospects, e-mails, etc.*

### **III. PARTICIPANTS IN THE AGREEMENT**

- 1. Each contracting party must be designated by the trade name under which it is registered in the Commercial Register or on the trade license, registered office, ID number, VAT number and a person authorized to act on behalf of the company, or a person authorized to do so, by bank connection and file number from the Commercial Register in the case of legal persons.*

### **IV. OBJECT OF THE CONTRACT**

- 1. The subject of the contract is determined by the specific indication of an individual item (according to the description) or in terms of type and quantity (according to the specification), or it may be described as an activity.*
- 2. If the subject of the contract is an activity - the work is the result of making the thing, assembling the thing, its maintenance, performing the agreed repair or modification of the thing or the result of another activity.*
- 3. Together with the product, the seller (contractor) is obliged to hand over to the other party the documents necessary to take over the subject of the contract and its use, such as instructions for use, spare parts catalogue, declaration of conformity, etc. The list of documentation is specified in the contract / confirmed purchase order.*
- 4. Detailed technical conditions of the subject of the contract may be resolved by an annex, which is an integral part of the contract.*



### V. PERIOD OF PERFORMANCE

1. *Contract obligations shall be performed either on a specific day or within an agreed period. In the event that the cooperation of the contracting parties is required, the time limit for performance for the other party runs at the moment when the first party fulfills its obligation.*
2. *The contracting parties undertake to make every effort to create the necessary conditions for the implementation of the subject of the contract under the conditions stipulated by the contract as they result from their contractual status.*
3. *If either Contracting Party is aware of facts that may prevent or will prevent from fulfilling all its contractual obligations, it shall immediately notify the other Contracting Party in writing and at the same time undertakes the action to eliminate immediately and as far as possible all circumstances which prevents them from fulfilling their contractual obligations.*

### VI. DESIGN

1. *With regard to the quality and execution of the subject of the contract, the decisive factor is the determination in the contract / confirmed purchase order. The design must always comply with the conditions set by the Act on Technical Requirements for Products.*
2. *If the product is to be delivered according to a sample or model, the seller (contractor) is obliged to deliver the product with the properties of the sample or model, or with the features described in the contract / confirmed purchase order.*
3. *If the design and quality are not explicitly specified in the contract / confirmed purchase order, the rule of product suitability applies, ie. will be applicable for the purpose arising from the contract or for the use of the usual, medium quality.*
4. *The work is performed by the seller (contractor) at his own expense and risk. The seller (contractor) is bound by the instructions of the buyer (customer) in determining the method of execution only if he has expressly committed to this in the contract / confirmed purchase order.*
5. *The buyer (customer) is entitled to continuously check the execution of the work and, in the event of a breach of contract, to request the removal of defects.*
6. *The seller (contractor) packs the products in packaging that provides them with protection against damage during handling and transport. The special method of packaging, type and design of packaging must be agreed by the participants in the contract / binding confirmed order, otherwise the seller (contractor) is based on the practices that have developed and are generally accepted for the type of product and transport.*

### VII. PRICE

1. *The price is either explicitly stated in the contract / confirmed purchase order, either as the price for the agreed performance in total, the price per piece or a certain quantity unit or the price is determined according to the budget or the procedure for its subsequent objective determination is established.*
2. *The price is standardly set from the factory of the seller (contractor) as EXWORKS. In the case of other delivery conditions, this is the specified contract and the delivery conditions are specified according to INCOTERMS 2020.*
3. *The price is always determined according to the agreement of the contracting parties as a fixed and unchangeable price for the entire period of validity of the contract.*



4. In exceptional cases, a price with a price clause is agreed in the contract /confirmed purchased order, in order to prevent or reduce risks associated with changes in the exchange rate of foreign currencies, prices of basic raw materials, other inputs or subcontracting.

5. In the event of a change in the scope of delivery due to an additional request from the buyer (customer), the price will also be adjusted, which will be resolved by a written amendment to the contract / confirmed purchase order.

6. In the event of a request from the other party to provide transport, the costs will be charged according to the fact + 10%.

## VIII. PAYMENT TERMS

1. Payments must be made in the manner and within the deadlines specified in the contract / confirmed purchase order.

2. If the buyer (customer) does not meet the payment terms of the contract, the seller (contractor) has the right to withdraw from the contract.

3. If partial payments are agreed in the contract / confirmed purchase order, which the buyer (customer) does not fulfill, the seller (contractor) has the right to suspend further performance of the contract and withhold partial deliveries until the partial payment is paid.

4. The price or partial payment is considered fulfilled only at the moment of crediting the amount to the designated account of the seller (contractor).

5. If the relevant payment condition is not specified in the contract / binding confirmed order, the entire price of the product is payable within 14 days after the fulfillment of the subject of the contract.

6. The buyer (customer) has no right to a refund of the price or part thereof and also has no right to unilaterally include any of its counterclaims (compensation) in the payment to the seller (contractor).

7. In case of late payment, the buyer (customer) is obliged to pay interest on arrears in the amount of 0.05% of the amount due for each calendar day of delay. Payment of interest on arrears does not affect the right of the seller (contractor) to compensation for damage, or payment of agreed contractual penalties.

8. In the event that the buyer (customer) is in arrears with the fulfillment of its financial obligations, to which it is obliged under the contract, by more than 14 calendar days, the seller (contractor) is entitled to:

- to stop further work in accordance with the contract
- demand security for unpaid monetary obligations of the buyer (customer) within 10 days of notification
- interrupt the activity or not start the activity related to the elimination of defects of the delivered equipment during the warranty period
- not to provide the buyer (customer) with support for the functionality of the supplied software equipment
- not to provide the buyer (customer) with post-warranty service of the delivered equipment, including software equipment.

9. If the buyer (customer) is in arrears with the fulfillment of its financial obligations, it may not assert a claim other than the right to eliminate defects of the delivered technological equipment within the scope of claims for defects, but with the knowledge that the seller to start activities related to the elimination of defects of the delivered equipment until the full fulfillment of all due obligations of the buyer (customer). In this case, the warranty is not extended by the period for which it was suspended.

10. The product remains the property of the seller (contractor) until full payment of the full price. If the buyer (customer) sells the subject of the contract to other persons before paying the full price to the seller (contractor), it undertakes to notify this other person in time of the existence of a reservation of ownership of the seller (contractor). Failure to do so bears all risks and damages.



### **IX. TERMS OF DELIVERY**

- 1. All delivery conditions, especially the place and moment of risk transfer, fulfillment of delivery, payment of the price and others, are governed by the provisions specifically stated in the contract / confirmed purchase order. If the relevant provision is not specified in the contract / confirmed purchase order, the place and moment of transfer of the risk of damage to the subject of the contract and fulfillment of the delivery is the place and moment when the goods are handed over to the buyer (customer) or carrier.*
- 2. The buyer (customer) is obliged to pay the price and take over the entire subject of the contract in accordance with the contract. This provision applies by analogy to partial deliveries. In the event that the buyer (customer) unjustifiably refuses to take over the subject of the contract, the warranty is shortened by this period.*
- 3. Unless otherwise stated in the contract / confirmed purchase order, the subject of the contract is handed over by the person specified in the contract / confirmed purchase order, or another person who is authorized to do so.*

### **X. DELIVERY TIMES**

- 1. The seller (contractor) is obliged to fulfill the obligation within the period agreed in the contract / confirmed purchase order.*
- 2. The delivery time is determined either precisely (on a certain day) or on a certain deadline, or the manner in which the delivery time will be determined.*
- 3. The delivery period is considered fulfilled if the product is handed over to the buyer (customer) to such an extent that it meets the delivery conditions.*
- 4. If the delivery period is not specified in the contract / confirmed purchase order, the period appropriate to the nature of the product and other conditions of the contract shall apply.*
- 5. If the buyer (customer) in any way makes it impossible to hand over the subject of the contract within the agreed period, the delivery is fulfilled on the day of sending the notification (advice) about the readiness of the product for delivery. In that case, the buyer (customer) is obliged to reimburse the seller (contractor) for storage costs.*
- 6. If the buyer (customer) in any way makes it impossible to put the delivered product into operation within 6 months from the fulfillment of the delivery, the subject of the contract is considered delivered.*
- 7. In the case of a work, the obligation of the seller (contractor) is fulfilled by the proper completion and delivery of the object of the work to the buyer (client), with the exception of point 6.*
- 8. If the proper execution of a work is to be proved by the performance of agreed tests, the work shall be deemed to have been completed only by their successful execution. The conditions for the success of the tests will be agreed in the contract / confirmed purchase order. This provision applies with the exception of point 6.*

### **XI. GENERAL RULES FOR TESTING AND TRANSMISSION OF THE SUBJECT OF THE CONTRACT**

- 1. taking over the workplace for assembly and inspection of the transported subject of the contract before assembly*
- 2. assembly and technical report from the assembly process, for large orders the Construction Diary will be the basis*
- 3. cooperation of the buyer (customer)*
- 4. trial operation*
- 5. Demonstration of performance parameters*
- 6. handing over the subject of the contract*



## **XII. GUARANTEE**

- 1. The seller (contractor) guarantees that the product will be suitable for use for the agreed or usual purpose for a specified period of time and that it will retain the agreed otherwise usual properties.*
- 2. Unless otherwise stated in the contract / confirmed purchase order, the contractor shall provide a guarantee for the subject of the contract for 12 months, but no longer than 4,160 operating hours. The warranty period begins after the commissioning of the item on the basis of a mutually signed handover protocol, but no later than 6 months from the delivery of the subject of the contract.*
- 3. The warranty is provided only for manufacturing defects and does not apply to consumables and fast-wearing parts.*
- 4. The warranty is provided only for the product, which is used, operated and maintained during the warranty in accordance with the technological instructions and instructions for operation, maintenance and storage supplied with the subject of the contract.*
- 5. The seller (contractor) does not provide a guarantee if the operator was not trained not through the fault of the seller (contractor) and in cases where the defect is caused by causes not caused by him, such as improper installation or commissioning by the buyer (customer) or a third party, natural wear, improper or careless handling, unprofessional operation contrary to the instructions, improper maintenance or lubrication, excessive loading, improper operating equipment, etc.*
- 6. If the buyer (customer) has made or had made changes or repairs to the product without the prior express consent of the seller (contractor), the warranty expires.*
- 7. If the subject of the contract was manufactured on the basis of a design prescribed by the buyer (customer), the warranty applies only to the quality of the workshop design, not to non-compliance with performance and utility parameters.*
- 8. In the event that the buyer (customer) unjustifiably refuses to take over the subject of the contract, the warranty is shortened by this period.*

## **XIII. COMPLAINT**

- 1. The subject of the contract has defects if its execution does not correspond to the technical specification specified in the contract / confirmed purchase order.*
- 2. The buyer (customer) is obliged to make sure at the place and moment of fulfillment of the delivery about the quantity and quality of the goods according to the accompanying documents. If this is not possible for serious reasons, he is obliged to make sure of it without undue delay after receiving the goods.*
- 3. Obvious defects and quantity discrepancies on the subject of the contract, the buyer (customer) is entitled to complain in writing no later than 10 working days after receipt of the product at the destination.*
- 4. Complaints of any other deficiencies and defects must be made in writing to the seller (contractor) without undue delay, as soon as it was possible to determine, at the destination.*
- 5. If the defect occurred during the warranty period, the complaint must be sent no later than on the day of the end of the warranty.*
- 6. Defects and defects claimed under the warranty, for which the seller (contractor) acknowledged the defect, the seller (contractor) shall eliminate without undue delay and on the basis of its own professional assessment by repair or replacement of defective part, or in agreement with the buyer (customer), providing reasonable price discounts.*
- 7. The right to exchange expires if the subject of the contract was resold to another person or subsequently exported abroad.*
- 8. In the event that the buyer (customer) repairs at his own expense the claimed defect without the prior written consent of the seller (contractor), he does not have any right to claim these costs at the seller (contractor).*



9. *The buyer (customer) is obliged to provide the necessary cooperation in providing warranty repairs, otherwise the warranty expires.*
10. *Defective parts and disassembled parts remain the property of the seller (contractor).*
11. *The value of the complaint cannot be set off against the price of the subject of the contract or its part.*
12. *In the event that the complaint proves to be unjustified, all costs associated with the complaint shall be paid by the buyer (customer).*

#### **XIV. SETTLEMENT OF DISPUTES**

1. *In the event of a dispute arising out of or in connection with the performance of a contract, the parties shall first endeavor to settle the dispute by mutual negotiation.*
2. *If the institutes for the settlement of disputes are not regulated by contract, the place of the court and the law shall be determined by the rules of application of which the reasonable arrangement of the given relationship corresponds.*

#### **XV. COPYRIGHT PROTECTION, TRADE SECRETS**

1. *Both parties guarantee that the use of mutually transmitted documents does not infringe any patent, trademark or copyright of third parties.*
2. *Neither party acquires the right to technical know-how transferred by the other party in the tender or with the product, except for the rights arising from the performance of the contract under which they were provided.*
3. *The contracting parties shall treat all information of a commercial, production or technical nature, in particular price calculations and technical solutions obtained in connection with the contract, as facts constituting trade secrets pursuant to § 504 and § 2985 of Act No. 89/2012 Coll. CL CZ. The buyer (customer) is not entitled to copy, distribute or provide to other persons the production and technical documentation of the seller (contractor) in any way.*
4. *In the event of non-compliance with or violation of these provisions, the damaged party has the right to compensation for provable damages without a time limit.*

#### **XVI. FORCE MAJEURE**

1. *Delay or non-performance of the agreed obligations by the contracting parties shall not be considered a breach of contract and shall not create a right to claim damages, lost profits and the payment of sanctions, if caused by force majeure, for the entire period of its operation.*

#### **XVII. OTHER ARRANGEMENTS**

1. *In the event that the buyer (customer) withdraws from the contract, or postpones the date of its performance, he is obliged to reimburse the seller (contractor) all demonstrable costs incurred by work in progress, ordering subcontracting components, including storage costs.*

#### **XVIII. FINAL PROVISIONS**

1. *Contracts, as well as any other arrangements, amendments and additions, shall be valid if they have been concluded in writing.*
2. *The contract / confirmed purchased order is valid and effective from the moment of its signing by the authorized representatives of both parties.*