



TERMS AND CONDITIONS

1. Validity and Effectiveness of the Terms and Conditions:

- 1.1. These terms and conditions are an integral part of purchase agreements for the sale of products concluded between BD SENSORS s.r.o. having its registered office in Buchlovce, Hradištská 817, postal code 68708, the Seller, as one party, and the Buyer as the other party.
- 1.2. Unless otherwise provided in the purchase agreement, these terms and conditions shall apply. Deviations from the terms and conditions must be specified in writing in the relevant purchase agreement.

2. Obligations of the Parties:

- 2.1. The Seller shall hand over the products to the Buyer in accordance with the purchase agreement in the agreed quality, quantity, design and with the usual accessories and allow the Buyer to acquire the title to the products in accordance with the purchase agreement.
- 2.2. The Seller shall hand over the products together with their user manuals, installation, maintenance instructions and warranty certificates, if such documents exist for the products and are intended to be delivered with the products.
- 2.3. The Seller shall package the products to ensure sufficient protection of the products during their transport to the destination (customary packaging). Special product packaging may be agreed in the purchase agreement.
- 2.4. The Buyer shall accept the products and pay the purchase price.

3. Payment terms:

- 3.1. The purchase price shall be invoiced by the Buyer after the acceptance of each delivery of the products in the form of invoices payable within the time specified on the relevant invoice / purchase agreement.
- 3.2. The Buyer is not entitled to set off any of its claims against the Buyer's claims for the purchase price.
- 3.3. If partial payments in the form of purchase price instalments to be made by the Buyer are agreed, the Seller is entitled to request payment for the entire balance of the purchase price should any due date be missed.
- 3.4. If the Buyer is in default in payment of the purchase price, the Buyer shall pay to the Seller interest on late payment of 0.05% of the outstanding amount per day of default.
- 3.5. The Seller shall bill the Buyer for the product price by an invoice containing all the mandatory elements of a tax document and at least the following:
 - identification details of the Seller and the Buyer,
 - identification details and routing number of the banking institution and account number for the payment,
 - business case number,
 - identification of the products, quantity, dispatch note number,
 - price of the products and other price elements, as appropriate,
 - invoice issue date and due date.
- 3.6. The Seller is entitled to issue the invoice on the date of dispatch.
- 3.7. Failure to pay the purchase price within 30 days after the due date is a substantial breach of the agreement and the Seller shall be entitled to withdraw from the agreement without notice. Withdrawal from the agreement shall remain without prejudice to the right to claim a contractual penalty or interest on late payment, if accrued, and to the right to claim compensation for damage incurred due to a breach of contractual obligations.

4. Purchase Price

- 4.1. The purchase price is a fixed price. Unless otherwise provided in the agreement, the prices listed in the agreement shall be deemed prices with the term of delivery FCA Buchlovce (INCOTERMS 2010).
- 4.2. The purchase price given in the purchase agreement includes the cost of customary packaging, product designation and documents. In the event that the Buyer requires above-standard packaging or special surface treatment for the products, this must be specified in the purchase agreement.
- 4.3. The Buyer shall pay all expenses and fees that may be incurred outside the Czech Republic, such as customs fees, taxes, import fees etc.

6. Terms of Delivery:

- 5.1. Unless the delivery date is specifically agreed in the purchase agreement, the Seller is entitled to set the delivery date.
- 5.2. The Seller shall complete the delivery of the products by their handover to the Buyer or the first carrier for transport for the Buyer (according to the agreed delivery terms under INCOTERMS 2010). The Buyer shall make sure that the carrier accepts the products from the Seller at that time and place.
- 5.3. If the products are being delivered by a carrier, both the Seller and the carrier shall sign the packing slip / transport note at the handover and acceptance of the products. One copy of the packing slip / transport note shall be retained by the Seller and the other one shall be provided to the carrier. The products shall be deemed duly delivered upon the signing of the aforementioned document by the carrier and the Seller.
- 5.4. In the event that, for reasons constituting force majeure, the Seller finds out that it is not able to meet the delivery date or other delivery terms, the Seller shall notify the Buyer thereof without undue delay with a proposed solution. The failure of the manufacturer or another supplier to provide the materials for the manufacture of the products to the Seller in a due and timely manner shall be also considered force majeure. Force majeure shall not be deemed non-compliance with the Seller's obligation arising from the purchase agreement and the Seller shall not be liable for any damage incurred by the Buyer. In this case, the Parties will agree on a new delivery date for the products if it is acceptable to the Buyer, or on a different course of action.

7. Default:

If the Buyer fails to purchase the products as set forth in the agreement and within the agreed time limit, such default shall be deemed a material breach of the agreement and the Seller shall be entitled to withdraw from the contract without notice. The Seller shall be entitled to claim compensation for damage resulting therefrom.

8. Warranty and Liability for Defects:

- 8.1. The Seller shall provide a warranty for the products as specified in the purchase agreement or the warranty certificate. Unless otherwise stated, the Seller shall provide a 24-month warranty beginning on the day following the delivery of the products to the Buyer. The quality warranty means that the delivered Goods will be fit for use for the agreed or otherwise usual purpose and that they will retain the agreed or otherwise usual properties for the duration of the warranty period. The quality warranty does not cover normal wear and tear.
- 8.2. The Buyer shall immediately inspect the products at the Seller's site during the pick-up or once the delivery is received and, if any defects are found, draft up a handover report on the outcome of the inspection and deliver it to the Seller.
- 8.3. The Buyer shall notify the Seller of any quantity deficiencies and apparent defects found during the inspection of the products at the acceptance of the products within 5 working days after the acceptance of the delivery of the products by the Buyer.
- 8.4. Hidden defects of the products, which should be identified by the Buyer exercising due diligence during the inspection or which might be identified later, shall be reported by the Buyer without undue delay but no later than by the end of the warranty period.
- 8.5. The Buyer's complaints must be delivered in writing to the Seller's address.

Extract from the Commercial Register maintained by the Regional Court in Brno, Section C, File 12714



- 8.6. When making a complaint, the claimed defects and deficiencies must be sufficiently specified by indicating the type, product number and the characteristics of the defect.
- 8.7. Failure to report the defects within the set time periods shall be deemed the Buyer's acceptance of the delivery without objections and a waiver of the Buyer's rights from defective performance.
- 8.8. The Seller shall check any defects reported and ask the Buyer to permit the Seller to handle the complaint at the location of the claimed products which the Buyer must allow.
- 8.9. If it is found that the defect is the result of improper use, non-expert or rough handling of the products, the Buyer will not have any rights from defective performance.
- 8.10. If a claimed defect turns out to be defective performance, the Buyer is entitled to receive additional performance in the form of a remedy or a discount on the purchase price.
- 8.11. In the event that the defect, for which the Seller is liable, is remedied during repeated, i.e. second and any other attempt at performance, the Buyer shall be entitled to: (i) terminate the purchase agreement; require (ii) a discount on the purchase price, (iii) remedy of the defective products, or (iv) replacement of the products. The Buyer shall notify the Seller of its decision to withdraw from the relevant purchase agreement within 10 days of such unsuccessful additional performance. Should the Buyer fail to do so, the right of withdrawal due to the existence of the relevant defect shall expire. The Buyer may not change its choice without the Seller's consent.
- 8.12. The Buyer is not entitled to remedy the defects or deficiencies itself or through third parties. In the event that the Buyer interferes with the structure or packaging of the product, the right from defective performance and warranty shall cease to exist.
- 9. Transfer of Risk:**
- 9.1. All product-related risks shall pass onto the Buyer as agreed in the purchase agreement. If this is not specified, then at the handover of the products to the first carrier or the acceptance of the products by the Buyer.
- 9.2. If the Buyer fails to purchase the products in the manner and by the date specified in the agreement, the risk of damage to the products shall pass onto the Buyer upon the expiration of this time period.
- 10. Re-export**
- 10.1. The Buyer is prohibited from exporting the products outside the country specified in the purchase agreement as the destination. The same restriction applies to all other buyers in the supply chain with the exception of the end consumer.
- 10.2. If the obligation set out in section 10.1. is violated, the Buyer shall pay to the Seller a contractual penalty of 50% of the total purchase price, but not more than CZK 100,000.
- 11. Arbitration Clause and Choice of Law Clause:**
- 11.1. Any disputes arising from the purchase agreement, relating to its establishment, performance and termination, as well as any disputes concerning its validity, shall be finally resolved by the Arbitration Court attached to the Czech Chamber of Commerce and the Agricultural Chamber of the Czech Republic in Prague under its Rules of Arbitration. The language of arbitration shall be the Czech language.
- 11.2. All legal relationships between the Seller and the Buyer shall be governed by the laws of the Czech Republic.
- 12. Final Provisions:**
- 12.1. Withdrawal from the agreement shall remain without prejudice to the right to claim a contractual penalty or interest on late payment, if accrued, and to the right to claim compensation for damage incurred due to a breach of contractual obligations.
- 12.2. If any provision of the terms and conditions is or becomes invalid or ineffective, such invalid provisions shall be replaced by provisions, the meaning of which comes closest to the invalid provisions. The invalidity or ineffectiveness of one provision does not affect the validity of the remaining provisions. Any changes or amendments to the purchase agreement or the terms and conditions must be made in writing.
- 12.3. The Seller is entitled to change these terms and conditions unilaterally to the extent necessary. The new wording of the terms and conditions shall be delivered by the Seller to the Buyer's address. The Buyer is entitled to reject the change to the terms and conditions and withdraw here from with a month's notice.
- 12.4. These terms and conditions shall come into force on 1 July 2020.

Buchovice, _____ (place, date)

_____, _____ (place, date)
