

General Terms and Conditions of the company ELEKTRO DRAPAČ s.r.o.

1. Introductory Provisions

These General Terms and Conditions (hereinafter the "GTC") apply to orders, the conclusion of contracts, deliveries and complaints regarding all goods, products and services (hereinafter also the "Delivery") supplied by ELEKTRO DRAPAČ s.r.o., with its registered office at Velké Poříčí 177, Company ID No. 25280236, to all customers (hereinafter the "Buyer"), in cases where both parties refer to them in the contract or upon concluding the contract (in the order, in the order confirmation or in another act) pursuant to Section 1751 of Act No. 89/2012 Coll., the Civil Code (hereinafter the "Civil Code"). These GTC are published on the website of ELEKTRO DRAPAČ s.r.o. <http://www.eldr.cz>.

Any differing and mutually agreed arrangements of the parties shall take precedence over the provisions of these GTC.

2. Purchase Agreement, Contract for Work

Where the term "Contract" is used in these GTC, it shall mean a purchase agreement or a contract for work. Where the term "Supplier" is used in these GTC, it shall mean the company ELEKTRO DRAPAČ s.r.o.

The rights and obligations of the parties not expressly regulated in these GTC (or not expressly regulated by an explicit agreement of the parties) shall be governed by the provisions of the Civil Code relating to the contractual type of a purchase agreement or a contract for work. For the purpose of distinguishing the contractual type, the provisions of the Civil Code (Sections 2079, 2086, 2586, 2587) shall be used. Where the term "Buyer" is used in these GTC, it shall mean the buyer in the case of the contractual type of a purchase agreement and the customer (ordering party) in the case of the contractual type of a contract for work.

Legal acts aimed at concluding the Contract may be made by the parties in writing or orally (including by telephone) or by fax or electronically, even if the electronic act is not provided with a qualified electronic signature. Legal acts of the parties aimed at concluding the Contract need not be on the same document. The Contract may also arise by the actual delivery or performance of the ordered goods or product. The provisions of this paragraph shall also apply to other legal acts related to the Delivery, complaint, etc.

3. Obligations of the Buyer

The Buyer is obliged to pay the price pursuant to Article 6 of these GTC and also the price of all agreed services provided by the Supplier.

The Buyer undertakes to properly secure all information obtained from the Supplier against misuse and further undertakes not to provide third parties with information that could harm the Supplier.

In the event of further resale, the Buyer may not act towards third parties in the name of the Supplier, nor, without the Supplier's express consent, represent itself as acting under the Supplier's name.

4. Method of Performance and Obligations of the Contracting Parties

The Supplier undertakes to deliver goods, products and services properly and on time to the Buyer in accordance with the concluded Contract, and the Buyer is obliged to accept them.

The Supplier shall not be liable for delay or impossibility of delivering goods, products and services due to force majeure. In such a case, the Supplier is obliged to inform the Buyer and is then entitled to extend the delivery period or withdraw from the Contract without liability for damages incurred by the Buyer due to non-performance of the Delivery.

Upon delivery of goods, products and services, the Buyer is obliged to physically accept the Delivery, approve the delivered type, quantity and quality of the Delivery. Acceptance shall be confirmed on an installation sheet or delivery note, invoice or handover protocol. The right arising from liability for defects relating to type, quantity and apparent defects shall lapse if it is not asserted upon acceptance of the Delivery.

Until full payment for the goods, products and services delivered to the Buyer, these shall remain the exclusive property of the Supplier. This does not affect the Supplier's right to a contractual penalty and default interest for late payment of the price (Article 7 of these GTC).

In the event of cash payment of the price for the Delivery of goods, products and services, the Supplier's representative is entitled to accept cash from the Buyer's representative. In such a case, the Supplier's representative shall issue a document confirming payment.

In the event of a Delivery of goods, products and services under which the Supplier performs installation at the Buyer's premises or at another place different from the Supplier's registered office, the Delivery shall be deemed fulfilled at the moment the Buyer or its representative signs the installation sheet or delivery note, invoice or handover protocol. If the Buyer or its representative is not present at the place and time of performance of the Delivery, the Buyer shall be bound by the legal act aimed at taking over the Delivery by a person authorised to act for the operator of the shop or other establishment for which the Delivery is intended.

In the event of a Delivery of goods, products and services under which the Supplier does not perform installation at the Buyer's premises or at another place different from the Supplier's registered office, the Supplier may, even without the Buyer's express consent, send the Delivery of goods, products and services through a third party (carrier) to the agreed place, otherwise to the Buyer's registered office, at the Buyer's expense. In this case, the Delivery shall be deemed fulfilled at the moment the Delivery is handed over to such third party. The Supplier is also entitled to invite the Buyer to collect the Delivery at the Supplier's registered office within a period not shorter than 3 business days. In this case, the Delivery shall be deemed fulfilled by the acceptance of the Delivery at the Supplier's registered office. However, if the Buyer fails to accept the Delivery within the period specified by the Supplier in the invitation to accept the Delivery, the Delivery shall be deemed fulfilled upon the futile expiry of that period. The risk of damage to the Delivery passes to the Buyer at the moment of fulfilment of the Delivery as stated above.

The Buyer has no right to return agreed and delivered goods to the Supplier unless there is a statutory reason (e.g., a duly exercised right arising from liability for defects) or unless the return has been agreed in writing with the Supplier. If the Buyer nevertheless sends the Supplier goods that it is not entitled to return, it bears the risk of damage to such goods and is obliged to compensate the Supplier for the costs incurred thereby (e.g., storage or return shipment, etc.).

5. Price

The price of goods, products and services is determined by the Supplier's individual calculation and is binding only provided that all information necessary for correct

calculation is supplied. In the event of a change in certain parameters of the calculation, the Supplier reserves the right to change the price. For legal acts relating to the price, Article 2 of these GTC shall apply mutatis mutandis.

An agreement on the price is also formed where the Buyer who has received the Supplier's notification of the calculated price for goods, product and service sends the Supplier an order for such goods, product and service. An agreement on the price is also formed where the Supplier confirms the Buyer's order and states in such confirmation the amount of the price for the goods, product and service, and the Buyer does not expressly and demonstrably reject such price within 3 business days from the day it received the Supplier's notification of the price amount.

Costs for packaging and transport of the goods are added to the price of the goods.

6. Payment Terms

The Supplier's right to payment of the full purchase price arises upon fulfilment of the Delivery, i.e., at the moment that is deemed fulfilment of the Delivery (Article 4 of these GTC).

The Supplier shall issue to the Buyer an invoice - tax document - for the delivered goods or services. The Buyer is obliged to pay the price within the due date, which is 14 days from fulfilment of the Delivery, unless a different period is agreed.

The day of payment shall mean the day the invoiced amount is credited to the Supplier's account or the day of direct cash payment at the Supplier's cash desk.

In the event of the Buyer's default in payment of the purchase price, the Supplier has the right to suspend further Deliveries of goods, products and services or to make the Delivery conditional upon payment of the price upon fulfilment of the Delivery or after payment of an advance payment on the price. In such a case, the Supplier is not in default with fulfilment of the Delivery.

The Buyer is obliged to pay the Supplier a contractual penalty in the amount of 0.25% of the outstanding amount for each day of delay in payment of the Delivery price. This does not affect the right to default interest at the statutory rate.

7. Warranty and Complaints

The Supplier provides a warranty for goods and products for a warranty period of 12 months, with the exception of illumination systems in advertising devices, for which the warranty period is 6 months. The warranty period runs from fulfilment of the Delivery (Article 4 of these GTC).

The Supplier shall be liable only for defects in the Delivery where its quality or quantity deviates from the agreed conditions. The warranty conditions stated below apply to the warranty.

A complaint (notification of defects and exercise of warranty rights) shall be made only in writing, stating the date of delivery of the goods, the number of the relevant invoice, and a description of the defect, and further stating the Buyer's request.

The Buyer is obliged to properly inspect the delivered goods upon acceptance. Defects that the Buyer could discover by due inspection upon acceptance of the Delivery must be complained of immediately upon acceptance of the goods, otherwise the Buyer loses the rights arising from liability for defects. In the case of hidden defects, the Buyer is obliged to complain of (notify) them to the Supplier without undue delay after the Buyer discovered them or could have discovered them with professional care, otherwise the Buyer loses the rights arising from liability for defects. However, the Buyer may complain of defects no later than the expiry of the warranty period.

If the contracting parties do not agree on the existence of a defect in the Delivery, the quality shall be determined by an impartial institution and its conclusion shall be binding for both parties. The costs of the quality determination by an impartial institution shall be borne by the party to whose detriment the results of the analysis are.

Despite any complaint made regarding the Delivery of goods, the Buyer is obliged to pay the purchase price in full, within the due date, and not to link the complaint regarding the Delivery of goods with payment of the purchase price.

For damages arising from defective performance as well as from another reason related to the Delivery, the Supplier shall be liable only up to the amount of the paid price of the Delivery. Rights that may be exercised due to the Supplier's liability for defects may not be exercised as a claim for damages after the expiry of the periods for exercising rights arising from liability for defects.

Warranty conditions:

1. The Supplier is not liable for defects in the Delivery caused by the Buyer, in particular unprofessional self-installation, mechanical or chemical damage, improper storage, etc. A change in the properties of the Delivery occurring during the warranty period as a result of wear, improper use, insufficient or unsuitable maintenance, natural changes of the materials from which the goods are made, any damage by the Buyer or a third party, or another improper intervention shall not be considered a defect.

2. A condition for the establishment of rights arising from liability for defects is compliance, in particular, with the following operating conditions at the Buyer and the operator of the Delivery:

- the supply voltage will not exceed the tolerance given by the applicable standard on power networks and will be connected in accordance with applicable standards;
- operating influences on the delivered equipment will not be other than those agreed in the Contract or order (e.g., placement in an outdoor environment). In particular, LED devices will not be switched on while sunlight is present, and must be blocked, e.g., by a twilight switch or astronomical clock, unless a special design for all-day lighting even in sunlight is expressly agreed in the Contract;
- the equipment will not be operated in contradiction with applicable standards and regulations;
- the equipment or goods will not be damaged by external influences, unprofessional handling or force;
- for warranty purposes, the lighting time is assumed to be 10 hours per day, i.e., 3650 hours per year, unless agreed otherwise.

8. Quality

The goods are delivered in quality corresponding to the relevant applicable standards.

9. Confidentiality Obligation

The parties to the Contract undertake to maintain confidentiality about all facts concerning the counterparty which they learn during Deliveries and other activities related to Deliveries under these GTC and which have the nature of economic, banking or business secrecy, and about facts the presentation of which externally could in any way affect the security, business interests or good name of the counterparty.

In Velké Poříčí, on 01/01/2016

Miloš Drapač

Managing Director