



GENERAL PURCHASE CONDITIONS

DFK Cab, s.r.o.

1. Definitions:

DFK	DFK Cab, s.r.o., with registered office at Na Florenci 2116/15, Prague 1, Postal Code 110 00, registered in the Commercial Register maintained by the Municipal Court in Prague, File Ref. No. C 247922, Co. Reg. No.: 04468422
Supplier	means the seller in the case of a purchase contract or the supplier in the case of a contract for work.
Documentation	a set of documents necessary for the operation, use and routine maintenance of the Goods and further documents relating to the Goods which, according to legal regulations or the Contract, are to be transmitted to the Customer in connection with their delivery, in particular a declaration of conformity and the relevant attestations.
Order	a proposal for conclusion of the Contract delivered on the part of DFK by e-mail, by post or other means to the relevant Supplier. The Order must contain at least a general specification of the Goods in terms of the subject of performance, the required quantity and price of the Goods or the method of its additional determination and the date of performance (this may also be done by reference to the Technical Specifications, price lists and other materials of the Supplier); without these requirements, a document cannot be considered as an Order within the meaning of these Purchase Conditions (PC).
Purchaser	a third party (DFK customer) who has concluded a contract for work with DFK as a client or a purchase contract as a buyer.
Acceptance	verification of the quantity and quality of the delivered Goods upon delivery.
Framework Contract	A contract governing the conditions (in particular the subject of performance, price and the due date of delivery) under which the supplier and DFK will enter into individual Contracts in a certain period.
Contract	A Purchase Contract, contract for work or an undesignated contract concluded between DFK and the Supplier in accordance with Article 3 of these PC. Depending on the circumstances, a Contract also means the Framework Contract.
Technical specifications	Documents describing the shape, function, composition or other properties of the Goods.
Customer	means DFK, which is the buyer in the case of a purchase contract and the customer in the case of the contract for work.
Goods	movable assets, materials, products, assembly, production of an item, maintenance, repair, modification of an item or an activity with another result, that is the subject matter of the Contract.
Test	on the basis of legal regulations or a Contract or a Framework Contract, an inspection is performed of quality and functionality of the



Goods, the quality of the material used or correctness of the technological procedures or the technical documentation.

2. Introductory Provisions

- 2.1. These General Purchase Conditions (hereinafter referred to as "**GPC**") govern the contractual relations between DFK and other persons (Suppliers) in which DFK is in the position of a buyer under a purchase contract or a customer under a contract for work, if the Contract or Order refers to them or are attached to such as an annex.
- 2.2. These GPC are considered to represent general terms and conditions within the meaning of Section 1751 of Act No. 89/2012 Coll., the Civil Code (hereinafter referred to as the "**Civil Code**").
- 2.3. The provisions of these GPC apply unless the contracting parties agree otherwise in a given Contract.

3. Conclusion of a Contract

- 3.1. A Contract is concluded between the Supplier and the Customer on the basis of these GPC only if the Supplier accepts an Order within two (2) working days from the date on which it received the Order. Acceptance of an Order may be made on the part of the Supplier in writing, orally, electronically by e-mail or in another similar manner that will obviate intentions of the Customer. If the Supplier delivers acceptance of an Order to the Customer (or otherwise expresses its intention to accept the Order) after expiry of the aforesaid period, the Contract will only be concluded if the Customer agrees to such delayed acceptance within five (5) business days of receipt of the Supplier's delayed acceptance.
- 3.2. The content of the Contract consists of the Order, these GPC and possibly other materials, documents or price lists to which the Contracting Parties refer (or which generally contain information on the Goods). If the Contract fails to be concluded, the Customer is not bound by the Order.
- 3.3. Acceptance of the Supplier, which contains any reservations, changes, comments on the Order or these GPC or which contains any other deviations from their wording, does not have the effects of acceptance within the meaning of Clause 3.1 of these GPC, but is a new proposal for entering into a Contract, the provisions of Sec. 1740, Para. 3 of the Civil Code shall not apply. The Customer is entitled to accept or reject such a new proposal; if the Customer accepts the new proposal, the Contract is concluded on the date when the Supplier is notified in writing of acceptance of its new proposal.

4. Business Documents, Technical Supporting Materials

- 4.1. Catalogues, brochures, offers, announcements, illustrations and price lists of the Supplier and the data on weight, dimensions, capacity, price, performance, etc. contained therein are binding, unless their binding nature is expressly excluded in the Contract.
- 4.2. The plans and technical supporting materials, transmitted by the Customer to the Supplier under the Contract, which are to be or may be used for the production of the Goods or part thereof remain the exclusive property of the Customer. Without the Customer's consent, the Supplier may not use, copy, reproduce, hand over or acquaint a third party with such items. The Supplier may not use such items for purposes other than those envisaged by the mutual cooperation.

5. Price, packaging, shipping

- 5.1. The price for the Goods agreed in a Purchase Contract is binding.
- 5.2. The prices agreed in a Framework Contract apply to individual contracts concluded during the term of validity of the Framework Agreement on the basis thereof.
- 5.3. The Supplier is obliged to pack the Goods so that they are protected from weather elements and from damage during transport. The price of packaging material, with the exception of returnable packaging, is included in the price of the Goods.
- 5.4. The delivery of the Goods to the place of performance is ensured by the Supplier in its name and at own expense, unless expressly agreed otherwise in the Contract.



6. Inspection, Tests and Acceptance

- 6.1. The Customer has the right to continuously check the performance or execution of the subject of the Contract (hereinafter referred to as the "**Inspection**"). The Customer is obliged to notify the Supplier of the date of the Inspection at least one (1) working day in advance; Notification by telephone or e-mail is sufficient.
- 6.2. If the Customer discovers during the Inspection that the Supplier does not comply with the prescribed technological procedures agreed in the Contract or the Framework Contract or that it breaches the generally-binding quality rules or the quality rules agreed in the Contract or the Framework Contract, the Customer shall notify the Supplier in writing, the latter being obliged to remedy the situation without delay and inform the Customer in writing within three (3) working days of the manner of the remedy. If it fails to do so, the Customer has the right to withdraw from the Contract.
- 6.3. The Supplier is obliged to notify the Customer at least five (5) working days in advance of Tests in which the Customer has the right to participate under the Contract.
- 6.4. The Customer is always entitled to perform a Test as part of the Acceptance.
- 6.5. If the Test proves that the Goods do not conform to the Contract or the Framework Contract, the Supplier is obliged to remedy the deficiencies without delay, but no later than within the period specified by the Customer. A Test shall be repeated at the Customer's request.
- 6.6. The costs of agreed and repeated Tests shall always be borne by the Supplier.
- 6.7. If it is proved during an Acceptance that the Goods do not conform to the Contract or the Framework Contract, the Customer has the right to charge the Supplier the costs of performing the Test.
- 6.8. The Customer is not obliged to accept Goods that do not correspond in quantity, quality to the Contract or the Framework Contract; is obliged to inform the Supplier of a refusal of acceptance within two (2) working days. The removal of such Goods from the place of performance is provided by the Supplier in its own name and at its own expense. In the event that the Supplier fails to do so within two (2) working days from the date of receipt of the above information of the Customer, the Customer is entitled to charge the Supplier for storage determined by the Customer with regard to the quantity and price of the Goods in question. The risk of damage to the Goods during their storage shall be borne by the Supplier.

7. Delivery Terms

- 7.1. The Supplier is obliged to deliver the Goods to the Customer at the agreed time of performance to the agreed place of performance, namely in the agreed quantity and quality. The Supplier is responsible for any delay in breach of the obligation under the previous sentence.
- 7.2. Together with the Goods, the Supplier is obliged to hand over the Documentation to the Customer; delay in its handover shall be considered a delay in delivery of the Goods.
- 7.3. The Customer shall confirm the delivery by signing a delivery note or handover protocol.
- 7.4. The title to the Goods passes from the Supplier to the Customer upon receipt of the Goods, unless it follows from the agreed delivery terms in the Contract that it is transferred earlier. However, if the Goods are a work consisting in making an article to order, modification of an article or repairing an article, the subject of the work is the property of the Customer throughout the performance of the work until it is handed over to the Customer.
- 7.5. Partial performance is inadmissible unless expressly stated otherwise in the Contract.
- 7.6. Before the deadline agreed in the Contract, the Supplier is entitled to implement a performance only with the Customer's consent.

8. Payment Terms

- 8.1. Unless otherwise agreed, the right to invoice the Goods arises on the day when it was duly delivered, complete and in its entirety, to the Customer, including the Documentation. The right to invoice performance under a Contract for Work arises on the day on which the completed work is handed over to the Customer.
- 8.2. The Customer is obliged to pay the price to the Supplier's account on the basis of an invoice issued by the Supplier no earlier than on the day on which the right to invoice arises. The invoice must contain the particulars of a tax document pursuant to the Value Added Tax Act, and the Contract number according to the Customer's records, as well as the due date of maturity



corresponding to the Contract. If the invoice does not state the Contract number according to the Customer's records, a copy of the confirmed order of the Goods must be attached to the invoice. If the price consists of more items, the Supplier is obliged to properly designate these items in the invoice.

- 8.3. The Customer is authorised to return, without payment, an invoice that was issued before the Supplier was entitled to invoice under Clause 8.1 of these GPC, or one that does not have the requisites under Clause 8.2 of these GPC or contains incorrect data, and do so within thirty (30) days of its delivery. The Supplier is obliged to correct or re-issue such an invoice according to the nature of the defect. From the date of delivery of a corrected or newly-issued invoice, the due date of maturity shall commence to run again.
- 8.4. Unless otherwise agreed, the due date of any invoice is sixty (60) days.
- 8.5. Payment means debiting the amount paid from the Customer's account to the Supplier's account specified on the invoice.
- 8.6. Advances paid by the Customer to the Supplier shall be included in the payment of the price for the Goods. The Supplier may not consider any such as severance pay, nor may it set off any such against its other receivables from the Customer.
- 8.7. Payment of an invoice or part thereof shall not be deemed to constitute recognition of a delivery as having been duly performed, or recognition of correctness of the invoiced amount.
- 8.8. The Supplier is not entitled to assign the receivable arising from the Contract to a third party without a prior written consent of the Customer; however, it may pledge it.

9. Rights from defective performance

- 9.1. The Supplier is obliged to deliver the Goods to the Customer in the agreed quality, without material or legal defects. Goods shall be considered defective if, in particular:
 - a) they do not comply with the Technical Specification in any respect,
 - b) do not have the properties stated by the Supplier in samples, prototypes or in the quotation,
 - c) they are not suitable for use for the purpose for which they were intended under a Contract or intention of the Contracting Parties,
 - d) its origin or characteristics are not confirmed by the prescribed documents,
 - e) are encumbered by any rights of third parties,
 - f) otherwise differs from what the Customer could reasonably expect.
- 9.2. The Supplier provides a quality guarantee for the Goods in the length to be agreed in the Contract, but always for at least twenty-four (24) months.
- 9.3. Unless otherwise stated below, the warranty period begins to run from the date of the right to invoice under Clause 8.1 of these GPC; however, if the Supplier is obliged to put the Goods into operation, the warranty period begins to run from the date of their commissioning. The warranty period does not run for the period during which the Customer cannot use the Goods due to defects, for which the Supplier is responsible.
- 9.4. The Customer is obliged to notify the Supplier of defects in writing without undue delay after discovery of any such, no later than by the end of the warranty period. A written notification shall also be considered to be a statement of such in the handover protocol or in a copy of the delivery note handed over to the Supplier.
- 9.5. The Supplier is obliged to provide its opinion on the complaint no later than three days after the complaint was delivered to the latter. If it is necessary to perform a Test to assess legitimacy of the complaint, the Supplier is obliged to appear for performance of the test no later than five days after the complaint was delivered to the latter.
- 9.6. The Supplier is obliged, at discretion of the Customer, to repair or replace the defective Goods immediately, no later than within seven (7) working days of receipt of the complaint. In cases of danger to the operational safety at the place of the Customer, or if the Supplier is in delay with the removal of defects, or if an immediate repair or replacement of defective Goods is not possible, the Customer has the right to remove the defects by own means or to obtain replacement Goods from a third party and claim reimbursement of costs from the Supplier.
- 9.7. Spare parts or repaired parts of the Goods are subject to the same warranty conditions as the original Goods. The warranty period for replaced or repaired parts of the Goods must be at least half of the warranty period specified in Clause 9.2 of these GPC from the moment the defect is



removed. For other parts of the Goods, the warranty period shall be extended by the period during which the Goods could not be properly used due to the defect.

10. Force Majeure

- 10.1. Liability of the Contracting Parties for a partial or a complete failure to comply with contractual obligations is excluded if such is due to force majeure. Force majeure means an unforeseen or unavoidable event that arose independently of the will of the Contracting Parties and which makes it impossible for a certain period of time, in part or in full to fulfill obligations of one of the Contracting Parties. Force majeure event shall be considered such that occurs after signature of the Contract, and which could not have been avoided by the Contracting Party concerned. If force majeure continues to last for a period not exceeding ninety (90) days, the Contracting Parties are obliged to fulfil the obligations arising from the Contract as soon as the effects of force majeure cease to exist, while the delivery periods and all other deadlines are postponed by the period of force majeure effects. Delays in deliveries from subcontractors, lockouts and illegal strikes cannot be considered force majeure.
- 10.2. The Contracting Party on whose part the circumstances of force majeure occur is obliged to immediately, no later than ten (10) days in writing, by a registered letter, notify the other Contracting Party of its occurrence. A failure to observe this time-limit shall result in an extinction of the right to rely on that event.

11. Withdrawal from the Contract

- 11.1. It is possible to withdraw from the Contract only in cases stipulated by the Contract, these GPC, the Civil Code in the version in force on the date of signing the Contract.
- 11.2. The Customer has the right to withdraw from the Contract if the Supplier is in delay with delivery of the Goods for a period longer than fourteen (14) days.
- 11.3. Withdrawal from the Contract must be made in writing by registered letter.
- 11.4. By withdrawal, the Contract is cancelled as of the date of delivery of the notice of withdrawal from the Contract by one Contracting Party to the other Contracting Party. Withdrawal from the Contract shall be without prejudice to the provisions on contractual penalties and compensation for damage.

12. Information Obligation

- 12.1. The Supplier is obliged to immediately inform the Customer of all facts relating to the Supplier as a trading company that could affect the performance of its obligations under the Contract.

13. Obligation of Confidentiality

- 13.1. All information, know-how, Technical Documentation and parts thereof, including electronic files, to which the Supplier has gained access in connection with negotiations on conclusion of the Contract or its performance shall be considered confidential for the term of the Contract and also without limitation after its termination and may not be used for any purpose other than for the performance of the Supplier's contractual obligations in relation to the Customer. Copies of this information may only be made with a prior written consent of the Customer.
- 13.2. At the Customer's request, the Supplier is obliged to return or destroy without delay all data carriers specified in Clause 13.1 herein, including any copies.
- 13.3. The Supplier is obliged to maintain confidentiality vis-à-vis third parties about the terms agreed in the Contract and the content of the Technical Specifications and is entitled to acquaint only employees and other cooperating third parties, directly involved in the performance of the Contract, members of the statutory and supervisory authorities, employees of the legal department, auditor and the tax advisor.
- 13.4. The Supplier is obliged to ensure confidentiality of confidential information also in respect of its employees, representatives, as well as other cooperating third parties, if such information has been provided to them by the Supplier.
- 13.5. The Supplier is obliged to maintain confidentiality about all facts relating to the Customer that it learned in connection with negotiations on conclusion of a Contract or its performance.



14. Sanctions and Compensation for Damages

- 14.1. If the Supplier is in delay with delivery of the Goods, the Customer is entitled to charge the Supplier a contractual penalty of 0.1% of the price of the Goods for each day of delay.
- 14.2. If the Supplier is in delay with removal of defects of the Goods, the Customer is entitled to charge the Supplier a contractual penalty of 0.1% of the price of such defective Goods per each day of delay.
- 14.3. The Customer is entitled to claim, in addition to a contractual penalty, compensation for damage caused by the Supplier's delay; sanctions and compensation for damage (including lost profits) related to inability to fulfil the Customer's obligations towards its Purchasers are always considered incurred damage.
- 14.4. In the event of default in the payment of monetary debts, default interest is agreed in the amount of 0.075% of the outstanding amount per each day of delay. Default interest may be claimed by the Customer together with a contractual penalty.
- 14.5. The Supplier is obliged to compensate the Customer for any direct as well as indirect damage incurred by the latter as a result of defects in the Goods or delay in delivery of the Goods; such damage are also considered sanctions and compensation for damage applied by a Purchaser against the Customer.
- 14.6. The Supplier is obliged to compensate the Customer for any material or non-material damage incurred as a result of the Supplier's breach of the Contract.
- 14.7. In the event that the Supplier is demonstrably in delay with the fulfillment of its obligations for more than 15 days and the Customer hands over enforcement of its claims to a legal representative, the Customer is entitled to a contractual penalty of CZK 10,000 (neither the right to this contractual penalty nor its payment excludes the Customer's entitlement to a further compensation for damage related to legal representation in the enforcement of claims). The Customer is obliged to notify the Supplier of a planned handover of an enforcement of claims to a legal representative in writing and thus provide the Supplier with an opportunity to avoid the contractual penalty under the previous sentence.

15. Other Arrangements

- 15.1. The Supplier assumes the risk of a change in circumstances within the meaning of Section 1765 of the Civil Code. The Contracting Parties expressly exclude in respect of these GPC and Contract the provisions governing references to terms and conditions in contracts concluded in an adhesion manner and clauses in such contracts contained in Sections 1799 and 1800 of the Civil Code.
- 15.2. These GPC, the Contract, or other relationships arising from these contracts are governed by the law of the Czech Republic, in particular the relevant provisions of the Civil Code. Business practices do not take precedence over any provision of law, even a provision of law that does not have coercive effects.
- 15.3. In the case of entering into a Contract, the Contracting Parties exclude the application of the provisions of Sec. 1740, Para. 3 and Sec. 1751, Para. 2 of the Civil Code, which stipulates that a contract is concluded even if there has been no complete agreement in the expression of will between the Contracting Parties as to its content.
- 15.4. Any notice, confirmation of an order of Goods, or a document to be delivered under these GPC or the Contract may be delivered in person, by courier or sent by registered mail, electronically (by e-mail) or fax to the Contracting Party, to which it is to be delivered. Any notification shall be deemed to have been duly delivered to the relevant Contracting Party at the moment of its arrival within the sphere of the addressee. A delivery shall be deemed to have been effected in accordance with Section 570 of the Civil Code even if the addressee knowingly frustrates delivery. In case of doubt, the date of arrival of an incoming consignment sent using a postal service provider is the third (3) working day after its dispatch.
- 15.5. Where reference is made in a Contract to an Annex thereto, that Annex shall be deemed to form an integral part of the Contract. In the event that the content of an Annex is in breach with content of a Contract, the Contract shall prevail.



16. Applicable Law and Dispute of Resolutions

- 16.1. The Contract is governed by the law of the Czech Republic. For issues not provided for by the Contract or these GPC, the relevant provisions of the Civil Code in the version valid on the date of signing the contract shall apply.
- 16.2. Any disputes arising from the Contract or in its connection, which the Contracting Parties fail to resolve within thirty (30) days of sending a written notice to the other Contracting Party shall be heard and decided by the courts of the Czech Republic with substantive and local jurisdiction. If the Supplier is a legal entity with its registered office or a natural person with an address of residence outside the territory of the Czech Republic, the court with territorial jurisdiction is, unless otherwise stipulated by mandatory provisions of the law, a court with substantive jurisdiction in the territory of which the Customer has its registered office.
- 16.3. These GPC are drawn up in Czech and English. In the event of any discrepancy between the language versions, the Czech version shall prevail.

DFK Cab s.r.o.