

General terms and conditions - purchase contract - PURCHASE

§1 Scope of validity, form

- (1) These General Terms and Conditions (GTC) apply to all business relationships of the company DELBAG s.r.o., with registered office Slovanská 781, 463 12 Liberec XXV, company ID: 075 15 910, or of the company Hengst Filtration s.r.o., with registered office Slovanská 781, 463 12 Liberec XXV, company ID: 107 44 002 (hereinafter "DELBAG" or "buyer") with legal and natural persons, or other entities (hereinafter only "seller"), both parties hereafter referred to as "parties" or "contractual parties".
- (2) These General Terms and Conditions apply exclusively to all orders of the buyer, unless otherwise agreed in writing between the parties. Opposite or deviating conditions of the seller (supplier) are not recognized by the buyer even if the buyer does not explicitly object to such a deviation or contradiction.
- (3) For the contractual relations in matters of the purchase contract and other related contractual relations between the above-mentioned entities, these General Terms and Conditions apply exclusively, without the need for it to be explicitly agreed again between the parties. These GTC are valid as accepted at the latest when the first delivery of goods is made between the parties.
- (4) Individual, separately concluded arrangements and agreements with the buyer (including side agreements, amendments and changes) take precedence over these GTC.
- (5) References to the legal provisions mentioned in these General Terms and Conditions have only a clarifying meaning. Even without such a reference, all relevant legal provisions affecting the contractual relations of the parties are valid and effective.

§2 Order/order confirmation/sample

- (1) The buyer's order is binding (taking into account §1(4)) only in written form. Verbal or telephone requests of the buyer are non-binding until the moment of the written order.
- (2) The order is not binding for the buyer in the event of an obvious mistake, clerical or numerical error in the documents, drawings or plans submitted by the buyer to the seller. If the seller discovers such a defect in the documentation, it is obliged to inform the buyer about it, so that possible damages are minimized and the buyer can correct its order and resend it to the seller corrected.
- (3) Each buyer's order shall be confirmed in writing by the seller (taking into account §1(4)), within 2 days of its acceptance by the seller, unless the parties agree on a different deadline in each case. Without written confirmation of the order, the buyer is entitled to cancel its order. In the event that the seller does not confirm the buyer's order in writing within 5 days from the day it was sent by the buyer, the order is considered confirmed. In addition to the number, the order confirmation must apart from marks, part numbers, drawings and models, also contain agreed prices, rebates and binding delivery dates.
- (4) Deviations in quantity and quality from the wording and content of the buyer's order as well as deviations from the standards prescribed by the buyer (taking into account §1(4)) are valid as agreed only on the basis of written confirmation from the buyer. The provisions of the previous sentence also apply to any later changes to the order.
- (5) In the case of the first order from the parts of the buyer's construction or in the case of changes to orders, the seller is obliged to supply the buyer with samples in the agreed number, together with a report on the produced samples, before starting its own production. The order is considered definitively binding only after written approval of the manufactured samples by the buyer (taking into account §1(4)).
- (6) The buyer is entitled to demand from the seller changes in the design and execution of the delivered goods to a reasonable extent. In such a case, the parties shall agree on the consequences of the requested changes, especially with regard to over-costs and under-costs, as well as delivery times.

§3 Prices

Unless otherwise expressly agreed between the parties, the agreed prices are considered final prices.

§4 Delivery/passing of risk

- (1) The costs for delivering the goods to the place specified by the buyer, including costs for packaging, are borne by the seller. Fees, duties and other levies related to the delivery of goods are borne by the seller, if permitted by law.
- (2) The risk of damage to the property passes to the buyer only after the goods are taken over at the destination.
- (3) In the event that the transport costs are exceptionally borne by the buyer, the seller is obliged to choose the method of transport specified by the buyer; in case of impossibility of the method of transport specified by the buyer, the seller shall choose the most suitable type of transport for the buyer.

§5 Transport documentation/customs/export control

- (1) The country of origin of the goods must be documented by the seller based in the EU with a valid (long-term) supplier's declaration (as amended); in the case of a seller based outside the EU, it shall be supported by a certificate for the purposes of preferential treatment or a certificate of origin. The long-term supplier declaration shall include the buyer's product number, exact country of origin and customs tariff code.
- (2) The seller shall immediately and without the request of the buyer inform the buyer of a change in the country of origin of the goods.
- (3) In the case of impossibility of delivering a long-term statement from the supplier, the seller is obliged to document the certificate of origin of the goods without the request of the buyer and at its own expense.
- (4) The buyer is exempted from payment of all costs and claims of third parties that arose on the basis of inappropriate, incomplete or erroneous documents of origin or other declarations of origin.
- (5) The seller is obliged to submit to the buyer, upon the first delivery, a valid supplier's declaration (in the current version), as well as all information about the product/goods that is relevant for the national or international, movement of goods. If the seller supplies the buyer with goods that are subject to exports control during further exports, the seller undertakes to immediately hand over to the buyer all the documents necessary for submitting an application for an export permit regarding the relevant goods. This obligation applies to the seller even after the termination of business relations with the buyer.
- (6) The seller declares that it is an authorized economic operator ("Authorized Economic Operator") or at least that it has established equivalent safety standards in its company according to Art. 38 et seq. EU Regulation No. 952/2013.

§6 Documentation

- (1) All written communication in connection with the buyer's order, including the delivery note, invoice, transport documentation, etc., shall contain all data about the order (order number and date, seller's number). In the event of a mistake, the seller is responsible for the consequences of the erroneous declaration.
- (2) If the seller sells products within the meaning of Art. 3 of Regulation (EU) No. 1907/2006 on the registration, evaluation, authorization and restriction of chemical substances (REACH Regulation), the seller undertakes to fulfil its obligation under Art. 33 of the REACH regulation on communication of information about substances in articles.
- (3) The seller is also obliged to hand over all documentation according to the relevant legal provisions (e.g. safety data sheets for chemical substances) to the buyer.

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§7 Payment terms/invoice

- (1) The buyer is obliged to pay the purchase price with a 3% discount within 14 days from the date of delivery of the goods and the invoice or the full purchase price within 45 days from the date of receipt of the goods and the invoice.
- (2) For the payment of the purchase price, only the quantity and weight of the goods according to the inspection of the buyer upon acceptance of the goods (taking into account §9) are decisive.
- (3) In the event of early delivery of goods due to reasons on the part of the seller, the invoice shall be paid within the period according to §7(1), which starts to run from the date of the originally agreed delivery date in the order, taking into account the other content of §7(1).
- (4) The seller's claims against the buyer can only be assigned with the express written consent of the buyer. Payments can only be made to the seller's account.

§8 Transfer of ownership/reservation of ownership

- (1) Ownership is transferred to the buyer at the moment of delivery of the goods. If it has been agreed in writing between the buyer and the seller, the right of ownership passes to the buyer at the moment of payment of the purchase price for the specific delivered goods. Any other form of extending the reservation of ownership rights or shifting the moment of transfer of ownership rights from the seller to the buyer requires the written consent of the buyer. Upon partial payment of the purchase price, ownership of the goods in the value of the partially paid purchase price passes to the buyer, so that the buyer becomes a co-owner of the partially paid goods.
- (2) If the buyer provides the seller with parts or parts for the goods, the buyer's ownership of these parts and parts of the goods lasts. In the event of processing or mixing, the buyer acquires co-ownership right to the new item/goods in proportion to the value of the item or part of the item/part of the buyer to the other processed items at the time of processing.
- (3) The seller is obliged to provide the material according to §8(2) to be stored separately and may only be used for the buyer's orders. The seller is responsible for the reduction of the value of the goods or their loss in the event of a culpable breach of their contractual or legal obligations. The seller has the obligations of a storekeeper towards the things stored in this way by the buyer. The seller is not entitled to dispose of the stored items without the written consent of the buyer. The purchase price includes storage costs for things and materials stored in this way.

§9 Notification obligation/control of receipt and delivery of goods

- (1) Upon acceptance of the goods, the buyer shall inspect them. The buyer has a reasonable period to check qualitative and quantitative deviations from the parameters agreed in the purchase contract. The buyer's complaint shall be notified to the seller within 20 working days from the day of receipt of the goods. The defects in the goods, which cannot be detected even during a timely inspection of the goods, shall be notified in writing to the seller immediately after their detection, with the exception of the delivery of a smaller quantity of goods than it was agreed, which can be detected e.g. from delivery notes, invoices, other communications, etc.
- (2) If, due to defective delivery of the goods, a total inspection is necessary, the scope of which exceeds the scope of the normal inspection upon acceptance of the goods, the seller shall bear the costs incurred in this way.
- (3) The seller shall carry out an appropriate control of the quality of the goods, which corresponds to the latest state of technical knowledge. The seller shall also prove the performance of such an inspection upon request. The seller shall conclude a quality assurance agreement with the buyer at its request, if the buyer considers it necessary. The conditions in such an agreement then take precedence over the conditions agreed between the parties in these GTC.

§10 Guarantee

- (1) The seller provides the buyer with a guarantee that his order shall be made on the basis of the seller's expertise and according to the latest state of the art procedure. The buyer is entitled to a guarantee for the goods to the full legal extent. In the event of a defect of the goods, the buyer is entitled to choose either the removal of the defect by repair or the replacement of the goods. In such a case, the seller shall bear all costs related to the repair or replacement of the goods. The buyer's claims for payment of any resulting damages remain unaffected by this provision.
- (2) In the event of the seller's delay in removing the defect, the buyer is entitled to remove the defect at the seller's expense and risk. The same applies to defects that the buyer is forced to remove immediately to prevent further significant damage.
- (3) If the seller repeatedly delivers defective goods to the buyer, the buyer is entitled to withdraw from the contract after a reasonable period of time.
- (4) The limitation period for asserting claims from liability for defects is 36 months from the moment of delivery of the goods to the buyer. Other special legal provisions on limitation periods remain unaffected by this provision.
- (5) The seller shall conclude an agreement on warranty conditions with the buyer based on its request, if the buyer considers it necessary. The conditions in such an agreement then take precedence over the conditions agreed between the parties in these GTC.

§11 Liability of the manufacturer

- (1) If the buyer incurs liability for damage caused by a violation of legal safety regulations or other national or foreign regulations regarding liability for product defects, the buyer is entitled to demand compensation from the seller for such damage to the extent that the seller can be attributed the damage to the seller's product/goods and the seller is responsible for such damage. The costs to avert the damage (e.g. in the form of a request to withdraw the product from the market) are also considered such damage, to the extent that the seller is legally obliged to do so.
- (2) If a claim for compensation for damage incurred abroad was raised against the buyer, the buyer is entitled to file a lawsuit against the seller at its choice, even in the place of such a potential lawsuit related to the defendant's claim according to this paragraph, to apply recourse claims, or participate in any related proceedings there.
- (3) The seller is obliged to have liability insurance for product defects in a sufficient amount of coverage. However, this insurance does not represent any limitation of the seller's liability in relation to the buyer.

§12 Trade secrets

- (1) The seller shall not disclose the content of the buyer's orders and the details of the business relationship and to consider all related business and technical details that it became familiar with on the basis of the business relationship with the buyer as business secrets. The seller shall oblige its subcontractors in this respect within the scope of its obligations to the buyer. The seller may disclose the business relationship with the buyer in its advertising materials, or publish it as its customer, only on the basis of its written consent.

§ 13 Models/devices/preparations/tools etc.

- (1) After full payment of the purchase price by the buyer, the seller undertakes to transfer to the buyer the ownership right to models, tools, devices, preparations, etc. (including progressive pressing tools), everything further also as "resources", which were used exclusively for production for the buyer. In the event of partial payment of the purchase price, the buyer shall be a co-owner of the above mentioned, in the ratio of the paid part of the purchase price to the total purchase price, and shall have the right to buy back the above-mentioned models, tools, devices, preparations, etc.

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(2) The seller shall store the equipment specified in §13(1) intended for the execution of the buyer's order at its own expense. These means of operation shall be secured against fire, theft and vandalism and shall also be insured in the appropriate amount. At the moment when the contractual relations between the buyer and the seller are terminated for any reason, the seller shall issue the means specified in §13(1) to be issued to the buyer immediately.

(3) The use of the above-mentioned means owned by the buyer for the benefit of a third party is not permitted without the written consent of the buyer. The seller shall comply with the production capacity of the means, see §13(1). In the event of non-compliance with the agreed recovery of resources according to §13(1), the quantity of faultless goods or parts, the seller is obliged to return to the buyer the value of its production investment in the means, see §13(1), in proportion to the quantity of delivered faultless goods. The costs of repairing the means referred to in §13(1) is basically borne by the seller; these costs are included in the payment according to §13(1), or at the prices set out in §3, for which the seller supplies the buyer with goods produced using means according to §1.

§14 Construction - protection of rights

(1) If the seller manufactures the ordered parts based on the plans, model or construction of the buyer, the buyer has all rights related to such plan, model or construction. By accepting the order, the seller undertakes not to offer or supply such parts or products to third parties now or in the future. Any requests from third parties shall be directed to the buyer.

§15 Protective rights

(1) The seller guarantees that the delivery of its goods and their use shall not infringe any intellectual property rights of third parties. The buyer, as its customer, is exempted from all possible claims resulting from the violation of such rights. The provisions of the preceding sentences in this paragraph do not apply if the seller produced goods according to plans, models or similar other descriptions given to the buyer or according to its instructions, the above-mentioned rights are damaged in this way and the seller did not know or could not have known in connection with the products manufactured by it about the violation of such rights.

§16 Delivery times/delays

(1) The delivery dates agreed between the parties are binding. The delivery of the goods to the place specified by the buyer is decisive for meeting the delivery date. In the event that the seller discovers that it cannot meet the delivery date for any reason, it is obliged to immediately notify the buyer in writing, including stating the reason for the delay and the expected new delivery date.

(2) The delays and counting of time are governed by the relevant provisions of Act No. 89/2012 Coll., the (Czech) Civil Code. The date of delivery of the goods specified on the buyer's order is considered the delivery date.

(3) In the event of delay by the seller, the latter is obliged to pay the buyer a contractual penalty in the amount of 1% of the purchase price for each commenced calendar week of delay, but a maximum of 5% of the value of the purchase price. The buyer's claim to compensation for any resulting damage remains unaffected by this provision. The seller has the right to prove that, as a result of the delay, the buyer did not suffer any damage or significantly less damage. In such a case, the sanctions specified in this provision are reduced accordingly.

(4) The buyer is not obliged to take over the goods before the agreed delivery date. In the event of premature delivery of the goods, the buyer is entitled to return the goods to the seller at its expense. If the buyer does not exercise this right, the prematurely delivered goods shall be stored at the buyer's expense and at the seller's risk.

(5) The seller is entitled to deliver the goods in parts only after the express consent of the buyer. In such an arrangement, the seller is obliged to confirm in writing to the buyer the remaining amount of goods to be delivered to the buyer. In the event of delivery of goods in parts, the seller bears the associated additional costs.

§17 Force majeure

(1) In the event of the occurrence of circumstances of force majeure, the parties are not obliged to fulfil their contractual obligations for the duration of such circumstances and taking into account their scope. However, the contracting parties are obliged to immediately inform the other contracting party of the occurrence of circumstances of force majeure and at the same time to fulfil their obligations to the fullest extent possible for the duration of the circumstances of force majeure.

(2) In the event of force majeure circumstances that temporarily prevent the seller from fulfilling its contractual obligations, the performance period is extended by the duration of the force majeure circumstance, or by the duration of its consequences.

(3) The buyer is entitled to withdraw from the contract in case of obstacles to performance on the part of the seller for the reason according to §17(1), if the delay of the seller lasts more than 6 weeks and the performance thus loses economic significance for the buyer.

§18 General provisions

(1) The relations and disputes arising from this contract are governed by Czech law excluding international law, in particular the UN Convention on Contracts for the International Sale of Goods. The parties undertake to resolve any disputes arising from this contract always through mutual negotiations. If the parties to the contract do not resolve any disputes amicably, the dispute shall be decided by the substantively competent court in Liberec, Czech Republic. The superior statutory provisions on the exclusive jurisdiction of the court remain unaffected. However, the buyer is also entitled to file a lawsuit against the seller at its place of business. The language of the court proceedings shall be Czech.

(2) If any provision of these terms and conditions or any special agreement between the parties becomes ineffective, this provision does not affect the validity and effectiveness of all other provisions agreed between the parties.