

## General Terms and Conditions

### 1. Bindingness of the General Terms and Conditions

- 1.1. The subject of the present General Terms and Conditions of the company LUCIS s.r.o. (hereinafter only „**terms and conditions**“ or „**GTC**“) is the regulation of the purchase contracts basic terms and conditions and the relations between the company LUCIS, s. r. o., as a seller, and its customers (hereinafter also as „**Buyers**“) during the sale of products, goods and services.
- 1.2. Every purchase agreement entered into by the company LUCIS s.r.o., as buyer (hereinafter also as „**seller**“), and a business partner as buyer or other purchaser (hereinafter also as „**buyer**“), shall be reigned by the present GTC, unless it is agreed otherwise in writing.
- 1.3. Detailed conditions of entering into particular purchase agreements as well as some substantial conditions, under which the goods will be sold to the buyer, can be subject of a specific agreement. In case there is no such agreement, the wording of these terms and conditions is decisive.
- 1.4. In case of dissimilarities between the provisions of individual documents that regulate the regulations between the seller and the buyer, to the extent in which they are contradictory, the rank of their bindingness is as follows:
  1. Particular conditions agreed individually for a particular business case and confirmed in writing by both parties in pertinent business documents (inquiry, offer, purchase order, purchase order confirmation, invoice).
  2. Purchase agreement or general purchase agreement, provided that such agreement was entered into by the seller and the buyer.
  3. Specific terms and conditions that are part of purchase contracts or general purchase contracts between the seller and the buyer.
  4. The present general terms and conditions.

### 2. Entering into Purchase Agreements

- 2.1. A purchase agreement can only be entered into in writing, namely by e-mail or by fax.
- 2.2. Unless it is expressly agreed in writing between the seller and the buyer in a document according to Article 1 of the present terms and conditions, any part of the purchase order of the buyer which is contradictory to or otherwise different from the present terms and conditions shall be denied and shall not become part of any business agreement between the seller and the buyer.
- 2.3. The purchase order of the buyer shall include at least the following essentials:
  - business firm, registered office of the buyer;
  - its Company ID (Tax ID in case its registered as a VAT payer);
  - type of goods which unambiguously determines the subject of the purchase order;
  - number of required pieces of the goods;
  - in case of a written purchase order, a legible signature of an authorized representative of the buyer;

- 2.4. The seller shall confirm the order stating the delivery date, eventually the amount available, in writing by e-mail or by fax. In case that the seller cannot confirm the delivery date of some or all items of the purchase order within two (2) days, it at least confirms the fact of receiving the order stating the expected date of sending final purchase order confirmation.
- 2.5. The seller has no liability for possible non-acceptance of the order of the buyer or any part of it.
- 2.6. Unless within two (2) days from receiving the purchase order confirmation, or earlier, with respect to the expected delivery date, the buyer expresses in writing by e-mail or by fax its disagreement with expected delivery dates or any other facts different from its purchase order, the purchase order becomes the only binding and final document superior to buyer's purchase order. Any change of such confirmed order is only possible in ultimately exceptional cases and only after previous written consent of the seller; it is performed by cancelling the affected item of the original order and issuing a new purchase order.
- 2.7. In case it is not possible to keep the expected delivery date stated in the purchase order confirmation, the seller shall inform the buyer on this fact no later than 1 (one) day before the expected delivery date, stating an alternate delivery date.
- 2.8. The seller shall not be in any case liable for any profit loss, operational loss or special, subsequent, accidental or criminal damage or any other kind of damage because of not meeting the delivery dates stated in the purchase order confirmation.
- 2.9. Technical data given to the buyer within agreement negotiations and for the need of entering into the purchase agreement cannot be used for any other purpose by the buyer. Upon request, the buyer is obliged to return all data to the seller.

### 3. Rights and Obligations of Contracting Parties; Ownership Reservation

- 3.1. The seller undertakes to hand over the goods to the purchaser and make sure the purchaser may acquire title to these goods to him and the buyer undertakes to take over the goods and pay the purchase price for them.
- 3.2. The seller is obliged to hand over the goods, the documents that are necessary for the takeover and the use of the goods to the customer and enable the buyer to acquire the ownership rights.
- 3.3. The buyer is obliged to pay the purchase price for the goods or and advance payment in set mount and currency and take over the goods according to the agreement.
- 3.4. The ownership to the products passes to the buyer only at the moment when the whole purchase price is paid to the seller, unless expressly agreed otherwise with the buyer. In case of a delay with the payment of the purchase price, the seller is entitled to prohibit the buyer to use to subject of the delivery or to claim its right for goods return.



- 3.5. Until the moment when the ownership right is transferred from the seller to the buyer, the buyer is not entitled to transfer the ownership right for to products to a third person. In case this reservation of ownership is breached from the part of the buyer, in consequence of which a third person would acquire the ownership to the products in good faith, a right of the seller for a contractual fine amounting up to the price of delivered goods, which is payable by the buyer on a date set by the seller, arises. The right of the seller for a compensation for any related harm is not affected by this.
- 3.6. Further sale of the products to which the ownership reservation applies to a third party is only possible if the buyer reserves the right to its ownership at least until they are fully paid for to the seller.
- 3.7. It is not possible to establish a lien to reserved goods or to transfer them by way of security.
- 3.8. The return of delivered goods due to non-payment for them does not free the buyer from the obligation to pay for the products that were not returned, to pay the value difference of the products that were not return in the same quality as they were delivered in and to pay all interest of late payment to which the seller is entitled.

#### 4. Place, Method and Time of the handover of Goods

- 4.1. The delivery terms are EXW, the place of handing over of the ordered goods is the business premises of the seller, unless it is expressly agreed otherwise in writing with reference to the Art. 1.
- 4.2. Only the buyer in person or a person authorized to act on behalf of it, or an authorized representative of the buyer or the carrier of the buyer are entitled to take over the goods from the seller, and they are obliged to confirm the takeover of the goods in writing. These persons are obliged to prove their identity to the seller (with an ID card or similar) and the authorization to take over the goods (with a commercial register statement, a letter of attorney, a written contract on shipping etc.). In case the goods are taken over by the carrier, the buyer is obliged to send a confirmed bill of delivery, which proves the takeover of the goods, to the seller within 3 days from the takeover of the goods.
- 4.3. In case the buyer cancels a proper purchase order, confirmed according to the Art. 1, before the delivery of the goods, the seller is entitled to invoice to the buyer costs amounting to up to 100 % of the price of the ordered goods, with regard to a specific case. The seller reserves the right not to keep the amounts and delivery dates of orders that exceed the production or transport capacity of the seller. The seller is obliged to inform the buyer on this appropriately in advance. In case the buyer is in delay with the takeover of the goods, the seller is entitled to withdraw from the purchase agreement (to cancel the purchase order of the buyer) or retain the goods and dispose of the goods under reasonable conditions. In addition, the seller shall be entitled to retain the goods until the purchaser has compensated the costs incurred by the seller with

regard to the retention of the goods.

- 4.4. The seller is also entitled to reject a purchase order of a buyer which is in delay with the payment of outstanding debts to the seller or which acts contrary to a provision of other agreements or contracts between the seller and the buyer.

#### 5. Purchase Price and Payment Terms

- 5.1. The seller reserves the right to change prices, payment, delivery and other terms and conditions in case of sudden changes of the prices of materials, energies or other sub deliveries and other costs and facts that the seller cannot influence or postpone. Such changed prices or terms and conditions shall apply to all products previously ordered by the buyer and confirmed by the seller with immediate effect after the delivery of such notice to the buyer by e-mail or by fax. In such case, the buyer has the right to withdraw from such affected and non-delivered orders or their parts.
- 5.2. The purchase price is set according to the price list of the purchaser, valid at the time of placing the order, unless the parties agree otherwise in a specific case. The seller issues an invoice with the essentials of a tax document to serve as a ground for the payment of the purchase price.
- 5.3. The seller issues the invoice within five working days from the date of taxable supply.
- 5.4. The purchase price is due on the due date of the invoice. The invoice is due on the day set by the seller on the invoice. The VAT is part of the purchase price. Unless agreed otherwise, the purchase price does not include the costs of delivery of goods to the customer, postage, the price of packing materials, packing costs, recycling fee nor other fees. All these costs are invoiced separately and borne by the buyer.
- 5.5. In case a partial advance payment of the purchase price is agreed, the advance payment shall be performed on the grounds of an issued advance invoice by wire transfer on in cash before the production of the goods is initiated, according to the maturity of the proforma invoice.
- 5.6. The moment of the payment of the purchase price is considered to be the date when the pertinent amount is credited to the seller's account or paid in cash in seller's registered office or premises.

#### 6. Breach of Contractual Obligations and Its Consequences

- 6.1. For the case of delay of the buyer with paying the purchase price or its advance payments, the parties agree that the late payment interest to be paid by the buyer is 0.05 % of the outstanding amount for every day of delay. By paying the late payment interest, the right of the seller to demand the compensation for damage arisen by the non-payment of the purchase price, cancellation fee or contractual fine.
- 6.2. For the case of delay of the buyer with paying the purchase price or its advance payment, the seller is entitled to retain the delivery of other goods, even in case of previously confirmed orders. In such a case, the seller is not in delay with the delivery of the



retained goods. The delivery date of the retained goods is postponed by the period of buyer's delay with the payment of the purchase price or its advance payment.

- 6.3. For the case of delay of the buyer with taking over of the goods, the buyer is obliged to compensate any damage that arises to the seller due to this delay.
- 6.4. The buyer is not entitled to retain a part or the whole of the purchase price because of any claims or because of any outstanding debts towards the seller. In case the buyer acts contradictorily to the previous, the buyer enters in delay with the payment of the purchase price.

## 7. Delivery Terms and Conditions; Risk on Goods Transfer

- 7.1. The seller is obliged to deliver the goods on agreed date. The date of delivery can be agreed as a fixed day or by a specific date, or as a term or in certain time (i.e. before the end of the month, in 14 days after the day on which the contract is entered into, etc.) The seller is entitled to deliver to goods before the agreed date or in part, in such case, it has to inform the buyer on it in advance with appropriate notice.
- 7.2. The moment of the handover of goods to the customer is considered to be the handing over of the goods to the first carrier for shipping or the day on which the buyer picked the goods up in seller's premises, or the buyer's takeover in case of such delivery terms and conditions where the delivery to the customer is part of them and the seller bears all costs and risks related to the whole route of transport of the goods. The document that proves the delivery of the goods is the bill of delivery or any other document (i.e. contract on shipping, invoice) proving that the goods were handed over to the buyer or to the carrier. The bill of delivery shall have these essentials: the identification of contracting parties, the identification of goods (amount and type), and the date of delivery of the goods (i.e. of the takeover of the goods by the buyer or by the carrier), signature of the buyer or the carrier.
- 7.3. With reference to the art. 4.1. of the present GTC, the transfer of the risk of occurrence of incidental destruction or damage of the goods from the seller to the buyer is reined by pertinent Incoterms terms and conditions that are valid in the moment of entering into the purchase agreement.
- 7.4. In case the delivery of the goods is realized by handing over of the goods to the carrier, the seller is obliged to mark the goods as goods sent to the buyer. The seller is liable for an appropriate packing for the agreed type of transport.

## 8. Changes of Products

- 8.1. The seller reserves the right, at its discretion, to change or modify the technical specification of products or to renew their assortment by withdrawing them from production, changing the existing or adding new products, provided that such changes do not substantially negatively influence the usable characteristics, sizes or lifetime of such products.

## 9. Warranty Terms and Liability for Defects

- 9.1. The seller grants the buyer warranty period of 24 months for period for the quality of the goods. The warranty period starts on the moment of handover the goods to the buyer in the sense of the art. 7.2. During the warranty period, the seller ensures such technical standard, quality and functional reliability of the goods that will suit valid legal regulations of the Czech Republic. The warranty does not cover the defects caused by natural wear and tear, accelerated wear and tear caused by special physical, chemical or electro-technical conditions, by faulty or inexperienced operation, maintenance or repair, immoderate strain, non-appropriate working environment, inexpertly realized modifications, by not meeting the storage, assembly and user instructions, etc. The warranty on expendable supplies, such as light sources, fuses, batteries, electronic devices, etc. is related to the time of operation of the product.
- 9.2. The apparent defects can only be claimed by the buyer in case they are detected at the latest during the examination of the goods which the buyer is obliged to perform upon the takeover of the goods. Other defects, i.e. hidden defects and defects that arise after the handing over of the goods to the buyer, can be claimed by the buyer until the end of the warranty period.
- 9.3. The buyer is only entitled to claim the defects of the goods during the warranty periods in case it can prove that the defects did not occur as a result of a faulty handling and that they were not caused by external circumstances that the seller was not obliged to expect.
- 9.4. The defect is claimed on time if the claim in written form with a precise specification of the defect and the claim of the liability for defects is delivered to the seller at the latest on the last day of the warranty period, especially through a claim form on the seller's website or by e-mail or by fax or by mail.
- 9.5. In case of a timely and properly claimed damage, the buyer can only require the delivery of missing goods or the repair of repairable defects or the change of defective parts or possibly the change of whole goods with non-repairable defect or a discount on the purchase price. In case of an irreparable defect, the buyer is entitled to withdraw from the agreement to the extent of the faulty performance. The decision on the method of rectification is fully in the competence of the seller, according to technical, logistic and other conditions.
- 9.6. The seller is not liable to the buyer for a subsequent damage caused in consequence of the defect of the goods. The use of the provisions of the Art. 436 par. 4 and Art. 440 of the commercial code is excluded by the agreement of the parties. The seller will not be liable for any profit loss, operational loss or special, subsequent, accidental or criminal damage or any other kind of damage based on claims or otherwise related to the products delivered by the seller according to the present terms and conditions or according to particular business cases reigned by these conditions.



## 10. Vis Major

- 10.1. The seller will not be liable for partial or total non-fulfilment of its obligations according to the present terms and conditions, especially for suspension, delay or cancellation of buyer's purchase orders, even previously confirmed, in cases out of control of the seller, especially, but not limited to, in the incidence of vis major, war, revolts, civil disturbances, embargoes, interventions of civil or military authorities; also in case of changes related to administrative, hygienic and medical laws or regulations; in case of a strike, work or other disruption of the production; in case of traffic problems; in case of fires, floods and other natural disasters.
- 10.2. In such cases the buyer has no right for the compensation of any damage, contractual penalty or any other compensation, direct or indirect.
- 10.3. Similar cases entitle the buyer not to take over the ordered and even already produced goods, although nothing of it entitles the buyer not to meet its commitments related to already delivered goods, especially not to pay the total of the purchase price on agreed due dates.
- 10.4. In case of the impossibility to fulfill the obligations for such reasons, the seller as well as the purchaser are obliged to inform the other party on such fact without undue delay, as well as to inform it on the fact that its effects are over.

## 11. Final Provisions

- 11.1. By entering into the purchase agreement, the buyer declares that it is acquainted with the present terms and conditions and agrees with them becoming an inherent part of the purchase agreement. The buyer acknowledges that the terms and conditions are, according to Section 1751 of the Civil Code, binding for the regulation of the relations between the seller and the buyer according to the purchase agreement, unless the agreement contains diverting agreements.
- 11.2. The seller reserves the right to change or modify the terms and conditions, especially in case of changes of related legal regulations or in case of change of the way of trading. The change, modification and their effect shall be appropriately announced by the seller.
- 11.3. All legal relations between the seller and the buyer are subordinated to the Czech law.
- 11.4. The legal relations between the seller and the buyer that are not expressly regulated by the purchase agreement are governed by pertinent provisions of the civil code and related legal regulations.
- 11.5. In case the agreement between the contracting parties is entered into in several language versions, the Czech version is the decisive version for the solution of possible conflicts between the versions.
- 11.6. The seller and the buyer undertake to keep all data and information learnt by them and disclosed in relation to this confidential, unless this information are commonly accessible by the public. This obligation even after the termination of the present
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contract. The seller and the buyer mutually undertake not to provide any information on the other part of the contractual relation, disclosed to them in relation with fulfilling the purchase contract, to any third party. The seller and the buyer undertake to maintain trade secret according to Section 504 of the Civil Code.

- 11.9. The buyer undertakes to inform the seller on any change related to its business concession, tax obligations (especially the change of the VAT ID number and the tax administrator), its valid bank account and bank details and the incurrence of insolvency. In case of the incurrence of insolvency, the receivables of the buyer towards the seller, arising from the purchase agreement, become payable on the day when the seller became acquainted of such insolvency. In such case, the seller is entitled to require an immediate return of not yet paid goods.
- 11.10. The seller and the purchaser have explicitly agreed that all future property disputes arising from contractual relationships and agreements between the parties or unilateral legal acts by any party towards the other (hereinafter as "legal relations"), occurring prior to, during or upon the signature of a purchase contract, as well as all disputes occurring in relation to these legal relations, including the matters concerning the validity, interpretation, realisation and termination, matters of rights arising directly from these legal relations, matters of legal validity of these legal relations, as well as other rights related to the aforementioned rights, even if they were void, terminated or withdrawn from (hereinafter as "disputes"), shall be resolved in arbitration, with the exclusion of the jurisdiction of ordinary courts, pursuant to the relevant provisions of act number 216/1994 Coll., on arbitration and enforcement of arbitration awards, as amended. The seller and the purchaser have agreed that the disputes shall be resolved by an arbitrator (arbitrators) appointed exclusively by Společnost rozhodců s.r.o., CIN 26816113, and selected from the list of arbitrators kept by Společnost rozhodců s.r.o.. Pursuant to the provisions of Section 19 Para 1 of act number 216/1994 Coll., the contracting parties have agreed that the procedural rules of the arbitration proceeding, hearing of evidence, granting of the arbitration award and costs of the proceeding shall be governed by the rules of the arbitration proceeding issued by Společnost rozhodců s.r.o. The contracting parties explicitly authorise the arbitrators that they may rule, in the matter in question, in accordance with the principles of equity. Furthermore, the contracting parties have agreed that, pursuant to the provisions of Section 19 Para 1 of act number 216/1994 Coll., the delivery of notices within the framework of the contractual relationship and the arbitration proceeding shall take place to the addresses of the seats of the companies, as stated in the header of this contract. In the event of any change of the address of the seat of either party the party shall be obliged to inform the other party in a provable manner in writing. If the addressee cannot



be reached to accept the delivery, the document shall be kept by the courier and the addressee shall be notified in a suitable manner about where the document can be picked up. Should the addressee fail to pick up the document within ten days from the day on which it was retained by the courier, the document shall be deemed to have been delivered on the last day of this deadline, even though in fact the addressee was not aware of it. If the document cannot be kept with the courier, it shall be deemed to have been delivered on the day after the day on which it was returned to the sender (contracting party or arbitrator), even if the addressee was not aware of it. The contracting parties explicitly declare that they have made themselves familiar with the rules of the arbitration proceeding issued by Společnost rozhodců, s.r.o. (cf. [www.spolecnost-rozhodcu.cz](http://www.spolecnost-rozhodcu.cz)), in witness whereof they provided their respective signatures on this contract.

11.11. The present general terms and conditions are continuously updated. The binding and currently valid General Terms and Conditions are available from the website of the seller, they are sent together

with business documents or the contract, or they can be sent upon request.

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