

MEIBES s.r.o.

GENERAL TERMS AND CONDITIONS for the sale of goods

I.

Basic Provisions and Definition of Terms

- 1.1. In accordance with the provisions of Section 1751 (1) of Act No. 89/2012 Coll., Civil Code (“**Civil Code**”) these General Terms and Conditions (“**GTC**”) govern the **business relations** established on the basis of a binding order and/or contract concluded between MEIBES s.r.o., ID No.: 48534706, based at K Bílému vrchu 2978/5, 193 00 Praha 9, registered in the Commercial Register lodged with the Municipal Court in Prague, Section C, File No. 18890 (“**Seller**”), and the person who concludes with the Seller a contract related to its own commercial, production or similar activities in the independent exercise of its profession (“**Purchaser**”).
- 1.2. “**Catalogue**” is the printed Catalogue available in the Seller’s outlets and the online Catalogue hosted on the Seller’s website. If there is any change to information concerning the Seller’s goods, the current information in electronic form takes precedence over the information in the printed Catalogue.
- 1.3. “**Seller’s Offer**” for the purposes of these GTC means the Seller’s written offer for the sale of goods.
- 1.4. “**Goods**” means all the goods offered for sale by the Seller through the Seller’s Offer or in the Catalogue.
- 1.5. “**Order**” is the binding order placed by the Purchaser, for which the Seller’s prices and conditions specified in the offer are binding, unless the parties agree otherwise.
- 1.6. The Seller may **independently change or supplement** the wording of the GTC, Catalogue and the Seller’s Offer. This does not affect the rights and obligations established when the previous wording of the GTC was in effect.

II.

Conclusion of Purchase Contract

- 2.1. All supplies of Goods between the Seller and the Purchaser will be performed solely on the basis of written Orders placed by the Purchaser.
- 2.2. An Order placed by the Purchaser constitutes acceptance of the Seller’s Offer or acceptance of the offer of Goods stated in the Catalogue; any change (no matter how trivial) to the Purchaser’s Order must be explicitly approved by the Seller. An offer with an addendum or deviation cannot be accepted in accordance with the provisions of Section 1740 (3) of the Civil Code.
- 2.3. The Order placed by the Purchaser must be in writing. This includes Orders sent by electronic mail to the Seller; a simple email is sufficient. By sending the Order the Purchaser confirms that it is familiar with and consents to the wording of these GTC, which form an inseparable part of the Catalogue.
- 2.4. The Purchaser’s written Order must contain a precise specification of the Goods ordered together with the quantity and price, to prevent any confusion with another type of Goods, the specific Seller’s Offer, the identification details of the Purchaser and the valid email address to which the Seller confirms receipt of the Order to the Purchaser.
- 2.5. The purchase contract is concluded the instant the written confirmation of the Order is sent by the Seller, confirming that the Purchaser’s Order has been received by the Seller in accordance with the Seller’s pricing and delivery terms. A simple email is sufficient to confirm the Order.
- 2.6. If the Seller is only able to meet part of the Purchaser’s written Order for the Goods, it will notify the

Purchaser in writing as soon as possible after receiving the Order, stating the extent to which it is unable to meet the Purchaser's Order. In such a case the Purchaser is also obliged to notify the Seller whether or not it agrees to receive only part of the Order, within five (5) working days of receiving the notification from the Seller. If it fails to do so within that term, it is considered that the Purchaser accepts the limited Order as specified in the Seller's written notification. The limited delivery of Goods in accordance with such a written notification constitutes the due fulfilment of the Seller's obligation.

2.7. By sending a binding Order the Purchaser explicitly declares that it has not been declared bankrupt and is not the subject of insolvency proceedings, nor is it aware that it has commitments on a scale that could result in the initiation of insolvency proceedings. If the Purchaser finds that it could become the subject of insolvency proceedings, it is obliged to immediately notify the Seller of such. A breach of the Purchaser's obligation stipulated in this point is considered a gross breach of contract.

III.

Price and Payment Terms

3.1. The price of the Goods is determined based on the price stated in the Seller's Offer and in the Catalogue. The prices for the Goods are stated in the Catalogue excluding VAT at the appropriate rate. The prices include all production and other costs incurred by the Seller in delivering the Goods to the Purchaser pursuant to Art. IV. of these GTC, with the exception of the costs of transporting the Goods.

3.2. If there is any change to the price of the Goods offered the Seller will notify the Purchaser immediately in writing, if the written Order for the Goods placed while the original Catalogue was valid was delivered to the Seller after the prices of the Goods in the original Catalogue ceased to apply. If the Purchaser fails to inform the Seller in writing that it cancels the Order within ten (10) working days of receipt of this written notification, it is considered that the Purchaser's Order still applies and that the Purchaser fully accepts the increase in the price of the Goods.

3.3. If the CZK exchange rate against the EUR changes by more than 2% between the date on which the purchase contract is concluded and the date the Goods ordered are delivered, the Seller is entitled to increase the purchase price of the Goods accordingly. The average exchange rates published by the Czech National Bank are decisive.

3.4. The Seller becomes entitled to claim payment of the purchase price and any other costs the instant it meets its obligation to deliver the Goods to the Purchaser. This entitles the Seller to issue the Purchaser with an invoice for the relevant sum. The Seller will send invoices to the Purchaser's email address specified in the Order. Invoices are payable within fourteen (14) calendar days of issue.

3.5. After receiving an Order from the Purchaser the Seller is entitled to request that the Purchaser pay the entire purchase price for the Goods before the Seller meets its obligation to deliver the Goods to the Purchaser. The provisions of Section 2119 (1) of the Civil Code do not apply.

3.6. If the Purchaser is delayed in paying the price for the Goods or the costs of transporting the Goods pursuant to these GTC, it is obliged to pay the Seller a contractual penalty amounting to 0.05% of the sum owed for each full or partial day of delay. This does not affect the Seller's entitlement to claim interest on arrears and compensation for any damages incurred by the Seller as a result of the Purchaser's delay, in full; the interest on arrears is not included in the damages. A delay with the payment of the purchase price of the Goods by the Purchaser is considered a gross breach of contract. If the Purchaser is delayed in paying the price for the Goods or the costs of transporting the Goods despite having been warned in writing by the Seller, the Purchaser is obliged to return the Goods to the Seller without undue delay after receiving the written request to do so by the Seller. If the Purchaser fails to return the Goods to the Seller at the Seller's request without undue delay, it is obliged to pay the Seller a contractual penalty amounting to 0.05 % per day of the value of the Goods the Purchaser is delayed in returning.

3.7. If the Purchaser is delayed with any of its payments, the Seller is entitled to suspend all of the Purchaser's outstanding Orders until the payment due from the Purchaser is credited to the Seller's account.

3.8. If there is any significant change in cost factors, such as the costs of material or transport, or if there is a change to the tax laws or other related legislation that could have an impact on the price, the Purchaser is aware that the Seller has the right to subsequently change the agreed price of the Goods and consents in advance to such a change. In accordance with the provisions of Section 1765 (2) of the Civil Code the Purchaser accepts the risk of circumstances changing.

IV.

Delivery Terms, Transfer of Risk of Damage and Reservation of Title

4.1. The Seller is obliged to deliver the Goods ordered by the Purchaser to the Purchaser generally within two (2) weeks of the date on which the written confirmation of the Order is sent by the Seller. If this deadline cannot be met for reasons beyond the control of the Seller, the Seller will inform the Purchaser of such and will do everything that can reasonably be expected to duly comply with its obligation within the shortest time possible. If these conditions are met, the later delivery is considered to have been delivered on time. The due and timely delivery of the Goods by the Seller is conditional upon the necessary cooperation on the part of the Purchaser in accordance with the contract and these GTC.

4.2. The delivery term is extended accordingly if unforeseen circumstances arise which the Seller was unable to prevent despite taking reasonable precautions in each individual case, including if such circumstances affect subcontractors that play a significant part in the completion or delivery of the Goods.

4.3. All the Goods are delivered to the Purchaser as standard at the Seller premises the instant the Goods are handed over to the Purchaser.

4.4. If the parties explicitly state a delivery destination other than the Seller's premises, the Seller's obligation to deliver the Goods is fulfilled the instant the Goods are handed over to the first carrier to be transported. If the nature or quantity of the Goods to be delivered so requires, the Seller is entitled to split the delivery into several partial deliveries.

4.5. Transport costs are billed in accordance with the Seller's tariff valid at the moment the contract is concluded. Goods to be transported to an address outside the Seller's premises in the territory of the Czech Republic, the Slovak Republic and other countries will be transported by the Seller at the Purchaser's expense. If the purchase price of the Goods ordered by the Purchaser exceeds the sum of 8,000 CZK excluding VAT when transported to an address within the Czech Republic, the sum of EUR 500 excluding VAT to an address within the Slovak Republic and the sum of EUR 800 excluding VAT to an address in another EU country, the transport costs will be borne by the Seller. The previous sentence does not apply to the sale of tanks and technical units such as LOGOmax domestic heat exchanger stations. The costs of transporting tanks to an address within the Czech Republic are borne by the Seller if the purchase price of the tanks ordered by the Purchaser exceeds the sum of 30,000 CZK excluding VAT, within the Slovak Republic if that purchase price exceeds the sum of EUR 1,300 excluding VAT and in other EU countries if the purchase price exceeds the sum of EUR 1,500 excluding VAT. The costs of transporting technical units LOGOmax domestic heat exchanger stations are always borne by the Purchaser.

In cases where the parties agree on a delivery destination outside the Czech Republic, the Slovak Republic or other EU countries, the costs of transporting the Goods are borne in full by the Purchaser.

In addition to transport costs, the Purchaser also undertakes to pay the fees for logistics services, at the rate published on the Seller's website.

4.6. In the event that, for reasons on the Purchaser's part, the Goods need to be delivered repeatedly or in a manner other than that explicitly agreed, the Purchaser is obliged to pay the costs of repeatedly delivering the

Goods, or the costs incurred by the different delivery method.

4.7. When accepting the Goods from the carrier the Purchaser is obliged to check that the packaging of the Goods is intact and, if any apparent defects are found, to immediately notify the carrier and the Seller.

4.8. The ownership right to the Goods always passes to the Purchaser once the purchase price for the Goods has been paid in full.

4.9. If the Purchaser sells Goods that have been delivered but for which it is in arrears with the payment, the Purchaser undertakes to inform the Seller of such in writing and, if requested to do so in writing by the Seller, undertakes to assign all receivables from subsequent sales due from its contractual partner to the Seller under a written agreement.

4.10. The Purchaser is obliged to immediately notify the Seller in writing if Goods to which title is reserved become the subject of an enforcement or execution decision, if they are included in bankruptcy assets or if any other restriction is imposed on the Seller's title to the Goods by a third party or if there is the risk of any such restriction. Together with this information the Purchaser is also obliged to provide the Seller with the documentation needed to protect its rights as the Seller.

4.11. A breach of the Purchaser's obligation stipulated in this article is considered a gross breach of contract.

V.

Quality Warranty, Right from Defective Performance, Post-warranty Service

5.1. The Purchaser is obliged to inspect the Goods as soon as possible upon receipt. If the Purchaser finds any defects or damage to the Goods, it is obliged to immediately notify the Seller of such in writing and to indicate the defects in an identifiable and clear manner, no later than within 5 days of discovering the defect. If it breaches this obligation the Purchaser forfeits its rights arising from defective performance in accordance with the provisions of Section 2103 of the Civil Code.

5.2. The Seller will provide the Purchaser with a warranty on the quality of the Goods supplied, for a period of 2 years, unless a different warranty period is specified in the Catalogue or unless the parties agree otherwise. The warranty period commences on the date the Goods are delivered.

5.3. The quality warranty does not apply to cases where the Purchaser repairs the Goods itself or has them repaired using technology or parts from a different manufacturer. The warranty also does not apply to cases where the defect is caused by lime deposits, chemical or electrochemical effects or the effects of drinking or heating water that does not comply with the applicable standards, or to defects caused by faulty installation by an unauthorised person or inexperienced adjustment, operation or use of the Goods. The warranty also does not apply to defects caused by improper maintenance, or maintenance not performed when it should have been, or to defects caused by force majeure. The warranty also does not apply to the replacement of worn parts and components such as O-rings, stoppers, seals and similar products.

5.4. The Purchaser may exercise its right to claim reimbursement of reasonably incurred costs from the Seller pursuant to Section 1924 of the Civil Code solely in cases where the costs were approved by the Seller in writing before they were incurred. Reimbursement of such costs cannot be claimed under any other legal title.

5.5. In addition to the quality warranty the Seller also provides post-warranty service, solely under the terms specified on the Seller's website.

VI.

Withdrawal

6.1. The Seller is entitled to withdraw from the contract in the event of a gross breach of contract by the

Purchaser, particularly pursuant to Art. III. point 3.6., Art. II. point 2.7., Art. IV. or in the event of a breach of the obligations stipulated in Art. VII. of these GTC.

6.2. The Purchaser is entitled to withdraw from the contract in the event that the Seller is delayed in delivering the Goods, if the Seller is delayed despite having been sent written notification explicitly warning of the delay, and only in the event that the Seller is delayed in delivering the Goods by at least thirty (30) days and at least ten (10) working days have passed since the written notification was delivered.

6.3. Notice of withdrawal from the contract must be in writing.

VII.

Other Rights and Obligations

7.1. The Purchaser is obliged to immediately notify the Seller in writing of any fact that could have an adverse effect on its ability to comply with its obligations towards the Seller or which could significantly endanger the performance of its obligations.

7.2. The Purchaser is obliged to immediately notify the Seller in writing if a decision has been passed concerning its liquidation, if a motion has been filed to have it deleted from the Commercial Register, if a motion has been filed to have it declared bankrupt or if execution proceedings have been initiated against.

VIII.

Returns of Goods and Other Provisions

8.1. Goods purchased by the Purchaser printed in bold in the Catalogue, i.e. items the Seller has in stock, may be returned following agreement with the Seller, provided that they are undamaged and in the intact and original packaging. In such a case the Purchaser will pay the Seller a handling fee amounting to 25% of the price of the returned Goods.

8.2. The Purchaser agrees to being sent information relating to the Seller's Goods, services or business via the Purchaser's email address and also agrees to being sent commercial messages by the Seller via the Purchaser's email address.

IX.

Final Provisions

9.1. If the relationship between the Purchaser and the Seller established by the purchase contract contains an international (foreign) element, the relationship is governed by Czech law.

9.2. If any of the provisions of these GTC prove to be or become invalid or ineffective, those provisions will be replaced by provisions whose intent and meaning most closely approximate those of the invalid provisions. The invalidity or ineffectiveness of one provision does not affect the validity of the other provisions.

9.3. By sending a written Order the Purchaser grants its consent to allow the Seller to process all its personal data contained in the Order.

9.4. If other language versions exist, the Czech version always takes precedence.

9.5. These GTC become effective on **1 March 2018**.