

GENERAL BUSINESS TERMS AND CONDITIONS FOR CONTIMADE s.r.o. COMPANY

registered in the Commercial Register of the Regional Court in Brno, Section C, File No. 12524, Company Reg. No. 494 48 382, with its registered address at Kaňovice 104, postcode 763 41, the Czech Republic (hereinafter "**CONTIMADE**")

1. Introductory Provisions

- (1) The primary objective of CONTIMADE is to ensure customer satisfaction with the company's products and maintain their interest in long-term business cooperation. In order to facilitate negotiations between parties and to finalise contracts, CONTIMADE has created the following General Terms and Conditions (hereinafter the "**General Conditions**").
- (2) The subject matter of these General Conditions are the terms and conditions under which CONTIMADE delivers products (accommodation containers, sanitary containers, storage containers, and technological containers) or modular constructions (hereinafter "**products**") to customers. These General Conditions are an integral part of any offer, contract for work and materials, or contract of sale (hereinafter the "**Contract**") whose subject matter is the delivery, production or installation of products by CONTIMADE.
- (3) Declaration of acquaintance with the contents of the General Conditions shall be agreed by the customer prior to the conclusion of any Contract with CONTIMADE and accepted without reservation.
- (4) In the event of any disagreement, the provisions of the Contract shall take precedence over the provisions of the General Conditions.

2. Inquiry and Product Specifications

- (1) An inquiry for products shall include product specifications, i.e. dimensions, quantity, method of delivery, place of delivery, customer's details (business or trade name, seat or place of business, company registration number, tax identification number, bank contact), a signature of a person authorized to act on behalf of the customer, and the required delivery date of products.

3. Purchase Order and Contract Conclusion

- (1) Upon receiving a written inquiry, CONTIMADE shall send the customer an offer based on the inquiry received.
- (2) The customer shall be obliged to provide acceptance of the offer in written form to CONTIMADE.
- (3) In the event of acceptance of the offer accompanied by any amendments or departures, the Contract shall not be concluded. Even if these changes do not substantially alter conditions of the offer, a new offer shall be processed. The Contract shall be concluded only in the event of unconditional acceptance of the offer by the other contractual party.

4. Payment and Invoicing Conditions

- (1) The price of products shall be negotiated by agreement of the contractual parties in writing.
- (2) The price of products shall be in EUR or CZK, INCOTERMS 2010 ex works Kaňovice.
- (3) CONTIMADE shall issue an invoice to the customer. The customer shall be obliged to pay the price of the products by credit transfer to the account of CONTIMADE as specified on the invoice.
- (4) The customer shall be obliged to pay a deposit of 50 % of the price of the products less VAT within 7 days after the date of conclusion of the Contract, unless agreed otherwise.
- (5) The outstanding payment shall be made prior to delivery of the products to the customer, unless agreed otherwise in advance and in writing.
- (6) Value added tax (VAT) shall be added to the price of the products in accordance with the applicable legislation.

5. Contractual Penalties

- (1) In the event of a late payment of the product price, the customer shall be obliged to pay a late payment supplement of 0.1% interest of the amount of money owed for each additional day's delay to CONTIMADE. Should the customer be late with payment for more than 30 days, the customer undertakes to pay to CONTIMADE a contractual penalty in the sum of 30 % of the money owed in addition to all late payment supplements.
- (2) Should the customer be late with payment for any of the partial deliveries of the products, CONTIMADE shall be entitled to suspend further deliveries of the products until all financial obligations by the customer towards CONTIMADE are liquidated. At the same time, all delivery dates for the products according to the agreed schedule shall be prolonged proportionately depending on the customer's delay; the new delivery dates shall be calculated from the day following the day on which the customer settled all obligations towards CONTIMADE.
- (3) The right to claim liability for defects in delivered products shall not be accrued by the customer until the price of the products, including the accessories, has been paid in full.

6. Obligations of CONTIMADE

- (1) CONTIMADE shall be obliged to produce and install (if agreed) the products at their own expense and own risk at the agreed time, in accordance with the Contract, complete with design documents and technical specifications.

7. Obligations of the Customer

- (1) The customer undertakes that sufficient funds to finance the project will be available at the time of concluding the Contract.
- (2) The customer shall be obliged to accept and pay CONTIMADE all reasonable and duly documented financial entitlements arising from the Contract.

8. Delivery of Products and Transport to the Place of Destination

- (1) The delivery period of the products shall be determined by agreement of the parties.
- (2) The customer shall arrange transportation for delivery of products from Kaňovice 104, zip code 76341, the Czech Republic.
- (3) The parties may agree that the transport of products shall be provided by CONTIMADE at the customer's expense.
- (4) If required, CONTIMADE shall provide covers (transportation panels), which shall be dismantled and disposed of at the customer's own expense.
- (5) The customer shall be obliged to inform CONTIMADE of any facts that may affect the choice or means of transport for the transportation of the products (e.g. narrow entrance to the courtyard, etc.).
- (6) If the goods are to be transported by the customer, the terms of delivery are as follows:
 - a) The customer shall be obliged to conclude a contract for transportation of the products from the production plant of CONTIMADE and at the same time arrange for appropriate means of transportation in accordance with the instructions of CONTIMADE. This shall be done at the customer's own expense.
 - b) CONTIMADE shall be obliged to hand the products over to the carrier and inform the customer thereof. The delivery of products shall be regarded as complete once the products have been loaded onto the carrier's means of transport.
- (7) If the goods are to be transported by CONTIMADE, the terms of delivery are as follows:
 - a) CONTIMADE shall be obliged to conclude, at their own expense, a contract for the transport of products to the address of the destination provided duly by the customer. The contract for transportation shall include a provision related to insurance of the products.
 - b) CONTIMADE shall be obliged to hand products over to a carrier and inform the customer thereof. The customer shall be obliged to accept the products at the agreed place of destination.
- (8) The costs associated with loading of goods shall be covered by CONTIMADE. Costs associated with unloading of goods shall be covered by the customer.
- (9) In the event of a change in the date of delivery of products at the customer's request, the customer shall be obliged to pay CONTIMADE all costs associated with this change (including the costs of cancellation of any transportation that had been arranged).

9. Installation of Products

- (1) If the installation of products is included in the Contract, the customer undertakes to provide, and if necessary, to submit the following:
 - a) Building permit or consent for the implementation of the proposed construction.
 - b) Hard access road for the transport of the installation equipment.
 - c) Access to the construction site for CONTIMADE personnel.
 - d) Prepared base slab for positioning a container in accordance with instructions of CONTIMADE (as specified in the Terms of Use and Maintenance of the Containers, which the customer shall receive and which are also available at www.contimade.cz). If the foundations do not conform to CONTIMADE requirements, CONTIMADE reserves the right to refuse the installation. The costs incurred shall be borne by the customer.
 - e) Crane for handling containers in accordance with instructions of CONTIMADE.
 - f) Power supply connection 400/230V/32A within 20 meters from the installation site.
 - g) Sanitary facilities for CONTIMADE workers during installation works.
 - h) Waste container for disposal of construction waste for the period of installation.
 - i) Connections to the water supply and drainage system, the heating and local wiring are not included in the installation. In addition, it is the customer's responsibility to arrange electrical inspection and earthing of the containers.
- (2) Prior to handing the installed products over, the customer shall be obliged to allow CONTIMADE to test the wiring, water and waste water pipes, and heating. Otherwise, the travel costs associated with the possible guarantee repair of products shall be borne by the customer.
- (3) Should the installation be delayed or not implemented due to default or breach of obligations on the part of the customer, the customer undertakes to pay CONTIMADE all related (additional) costs.

10. Delayed Receipt of Products

- (1) Should the customer be in delay with the taking over of products for more than 5 working days, CONTIMADE shall be entitled to invoice the price of the ordered products to the customer, regardless of the time the products are to be taken over by the customer; in addition, CONTIMADE shall be entitled to charge the customer the costs associated with storage of products that have not been taken over.
- (2) Should the customer be in delay in taking over the products, both parties agree to a contractual penalty of CZK 1,000 for each initiated day of delay. The payment of the contractual penalty shall not affect the right of CONTIMADE to damages.

- (3) Should the customer be in delay with taking products over for more than 30 days, CONTIMADE shall call upon the customer to take products over, and the additional time period shall be specified. CONTIMADE shall notify the customer that if the time lapses to no effect, CONTIMADE shall be entitled to dispose of the products and the customer shall be obliged to pay the price of products, the cost of storing the products, the contractual penalty for delaying taking over the products, and all the costs associated with the disposal of products.

11. Property Right and Danger of Damage to Property

- (1) The property right to products shall devolve from CONTIMADE to the customer at the moment of full payment of the price of the products.
- (2) If the customer unlawfully transfers the property right to products to the third party prior to the full payment of the price and thus makes it impossible for the products to be returned in their original condition to CONTIMADE, the customer undertakes to pay CONTIMADE a contractual penalty that equals the price of the products which have been unlawfully transferred to the third party.
- (3) Danger of damage to property shall pass to the customer at the moment of the receipt of goods, or at the time CONTIMADE allows the customer to dispose of the products and the customer is in delay with taking delivery.
- (4) Should CONTIMADE be obliged to deliver the products to the customer via a carrier, the danger of damage to products shall pass to the first carrier responsible for transport of products to the destination at the moment of handing over the products.

12. Liability for Defects and Product Quality Guarantee

- (1) CONTIMADE shall provide the customer a product quality guarantee of 24 months from the date of delivery of products. The guarantee on fixtures (electrical appliances, kitchenettes, mixer taps, sanitary facilities, etc.) shall be governed by the terms and conditions of their suppliers.
- (2) The customer shall be obliged to use the products in accordance with the Terms of Use and Maintenance of the Containers, which the customer shall receive and which are also available at www.contimade.cz.
- (3) CONTIMADE shall not be responsible for defects caused by products being used in contradiction with the Terms of Use and Maintenance of the Containers, or in any other inappropriate manner, or due to interference in the construction of products, installation by a person other than CONTIMADE, or any modification of the products.
- (4) The guarantee shall not apply to changes in product characteristics caused by natural ageing of materials from which the products are made.

- (5) The guarantee shall not apply to changes in colours of products caused by weather influences (e.g. pollution of the environment, dust, pollution caused by construction activities), inappropriate use and storage, or inappropriate maintenance and cleaning.
- (6) The guarantee shall not apply to changes in product characteristics or defects in products caused by contamination or deterioration of products due to transport (e.g. cracking of plasterboards), storage in inappropriate conditions, installation or improper handling.

13. Claim of Liability for Defects

- (1) The customer shall be obliged to check the products upon their receipt. The customer shall be obliged to notify CONTIMADE in writing about visible defects, variations in quantity, or delivery of incorrect products not later than 5 days from the date of receipt of products. CONTIMADE shall not be obliged to take later claims into consideration.
- (2) If products are to be delivered to the customer by a carrier, the customer shall be obliged to check with the carrier the condition of the products (quantity of products, damage to products) according to the enclosed transport document, immediately upon delivery. The customer shall be obliged to inform the carrier of any occurrence of damage and make a written handover certificate with the carrier when taking the goods over. In the event that the handover certificate is not made, the products shall be deemed to have been delivered as complete, undamaged and free from defects.
- (3) The customer shall be obliged to claim liability for defects on CONTIMADE within the guarantee period without undue delay. When claiming liability, proof of purchase of products, proof of delivery of products, and a specification of the scope and type of defects must be submitted.
- (4) In addition, the customer shall be obliged to enable CONTIMADE to inspect the products and take photographs for the purposes of assessing the legitimacy of the claims made.
- (5) In the event that CONTIMADE deems the claim of liability for defects made by the customer as eligible, the company undertakes to remove defects or deliver replacement products at its discretion. The possible delivery of replacement products shall not affect the length of the quality guarantee period. The customer shall not be entitled to a discount or a withdrawal from the Contract.

14. Delivery and Receipt of Products

- (1) The customer shall be obliged to take delivery of products on request of CONTIMADE. The customer shall not be entitled to refuse the products due to sporadic minor defects that on their own or in combination with other defects do not impede the use of products from operational or aesthetic perspective. A handover certificate, in which the customer shall specify any possible defects of the

products, shall always be made on the delivery and receipt of products. In the event that the handover certificate is not made, the products shall be deemed to have been delivered as complete, undamaged and free from defects.

15. Force Majeure

- (1) Should CONTIMADE fail to comply with the obligation to deliver products to the customer due to delays that have arisen independently of CONTIMADE's will and for which CONTIMADE could not be held responsible, the delivery time of products shall be prolonged proportionately according to the duration of such delays.
- (2) CONTIMADE shall inform the customer about the existence of a delay within 5 days from the date of its formation.

16. Intellectual Property and Confidentiality of Information

- (1) CONTIMADE reserves the property right and copyright to all drawings, calculations and other documents created by CONTIMADE for individual contracts.
- (2) All information and documents relating to the subject matters of individual contracts which the contractual parties come into contact with during production or installation of products shall be deemed confidential except for information that is publicly available or known.

17. Mistakes and Changes

- (1) If there are obvious errors or mistakes made by CONTIMADE, either written, numerical or in materials supplied, stated in any offers or documentation, CONTIMADE (or the customer) shall be under no obligation to fulfil any such errors.
- (2) If one or more items listed in the offer are no longer produced or supplied to the Czech market, CONTIMADE reserves the right to replace these items for items that have identical or very similar characteristics and price.
- (3) CONTIMADE reserves the right to change details of products if required by production capabilities of CONTIMADE. CONTIMADE shall notify the customer about this fact.

18. Governing Law

- (1) This Contract and its interpretation shall be governed by the laws of the Czech Republic with the exclusion of the UN Convention on Contracts for the International Sale of Goods and the exclusion of conflict-of-law provisions.
- (2) All disputes arising from and related to this Contract shall be decided by the Municipal Court in Brno in matters in which the District Court has subject-matter jurisdiction, whereas those matters in which the Regional Court has jurisdiction shall be decided by the Regional Court in Brno.

19. Final Provisions

- (1) The customer shall not be entitled to convey rights or obligations arising from mutual Contracts

without the previous written consent of CONTIMADE.

- (2) The customer shall not be entitled to unilaterally offset their financial claims against claims of CONTIMADE arising from mutual Contracts.
- (3) These General Conditions, offer, or Contract may only be altered in a written form. The exchange of e-mail messages shall be considered as a written form.
- (4) In the event that any provision of these General Conditions becomes wholly or partly invalid or unenforceable, the validity and enforceability of the other provisions of these General Conditions shall remain unaffected.
- (5) The General Conditions are available on **www.contimade.cz**.
- (6) These General Conditions become effective on 1 January 2018

In Kaňovice on 2 January 2018

CONTIMADE s.r.o.

Kamil Kaiser, executive director