

VÍTKOVICE HAMMERING a.s.

PURCHASE TERMS AND CONDITIONS (PC, Cfw)

ABBREVIATIONS

PC	Purchase Contract
Cfw	Contract for Work

CONCLUSION OF CONTRACT (PC, Cfw)

1. A proposal for entering into a Purchase Contract/Contract for Work (hereinafter referred to as the "Order"), submitted by the Buyer/Customer in writing, shall be accepted by the Seller/Contractor in writing within 10 days of receiving the Order, but no later than 15 business days from the date on which the Buyer/Customer sends the Order. The acceptance of the Order may also be notified by the Seller/Contractor to the Buyer/Customer by e-mail, and the Seller must send an original written acceptance of the Order, signed by the Seller/Contractor, to the address of the Buyer's/Customer's registered office within 3 business days of the date on which the e-mail is sent.
2. A Purchase Contract/Contract for Work (hereinafter referred to as the "Contract") is concluded on the date of delivery of written acceptance of the Order, signed by the Seller/Contractor, to the address of the Buyer's/Customer's registered office no later than the last day of the period specified in the Order for the acceptance thereof. Any late acceptance shall be effective as acceptance if such a fact is confirmed by the Buyer/Customer to the Seller/Contractor in writing.
3. Acceptance of the Order shall not lead to the conclusion of the Contract if it contains any amendments or modifications, even if such amendments or modifications do not substantially change the conditions of the Order. In such cases, the Contract shall only be concluded if the Buyer/Customer confirms this new proposal and sends it back to the Seller/Contractor.
4. Any changes, amendments to, or cancellation of the Contract concluded between the Buyer/Customer and the Seller/Contractor (hereinafter jointly referred to as the "Parties") may only be executed in writing. An Amendment to the Contract shall take effect between the Parties on the date it is signed by the Buyer/Customer and the Seller/Contractor, otherwise on the date of delivery of the Amendment, signed by the last Party, to the address of the other Party's registered office.
5. This rule shall not apply in the event that the Seller/Contractor who receives the Order from the Buyer/Customer gives the consent to the Order by handing over the requested item, which is the subject of the purchase (hereinafter referred to as the "Goods"), to the Buyer/Customer within the period determined for acceptance of the Order.
6. If the Contract contains different provisions from the provisions of these Purchase Terms and Conditions (hereinafter referred to as the "Conditions"), the provisions of the Contract shall prevail.

DELIVERY TERMS (PC)

7. The Seller undertakes to provide the Buyer with tangible movable items and their parts (hereinafter referred to as the "Goods"), as well as the documents relating to the Goods, and shall allow the Buyer to acquire the title to the Goods in accordance with the Contract and these Conditions.
The Buyer undertakes to accept the Goods and pay the Purchase Price for the Goods to the Seller.
8. Goods within the meaning of the preceding rule shall not be deemed to be tangible movable items that are only to be manufactured, if the Buyer has undertaken to hand over to the Seller a substantial part of the items required for the manufacture of the Goods or if the major part of the Seller's obligation lies in carrying out activities.
9. The Seller shall hand over the Goods to the Buyer in the quantity, quality, and design agreed in the Contract. If the quality or design of the Goods are not specified in the Contract, the Seller shall provide the Goods of a quality and design according to the applicable technical standard, or of a quality and design complying with the purpose that has been agreed, or a purpose for which such Goods are normally used, and/or a purpose implied by the Buyer's Order. The quality and design must also comply with all generally binding legal, technical, safety, and other regulations which apply to the Goods.
10. The Seller shall hand over the Goods to the Buyer together with documents relating to the Goods, at the Seller's own expense and risk, at the time and in the place agreed in the Contract. Unless otherwise agreed in the Contract, the place of delivery shall be the Buyer's registered office.
11. Unless otherwise agreed in the Contract, the delivery of the Goods shall be carried out under the delivery condition: DDP Buyer's registered office (INCOTERMS 2010).

12. If the Seller hands over the Goods to the Buyer at the Buyer's registered office, a Goods Handover and Acceptance Report on the delivery of the Goods shall be drawn up and signed by representatives of both Parties. In other cases, a Delivery Note, confirmed by a Buyer's representative, shall constitute a document on the handover of the Goods.
13. If the Seller delivers Goods in a higher quantity than is specified in the Contract, the Contract shall not be entered into for any excess quantity, unless the Buyer states in writing that the Buyer accepts the excess quantity. Otherwise, the Seller shall take back any excess Goods, at the Seller's own expense.
14. Partial deliveries shall only be acceptable in cases where the Parties have expressly agreed to partial deliveries in the Contract.
15. The Seller shall notify every (even partial) delivery sufficiently in advance. All deliveries must always be marked with the Buyer's name, registered office and Contract number also on the outer side of packages. If the Seller puts together in one delivery the Goods that are to be delivered under several Contracts concluded with the Seller, each delivery shall be notified separately, and a separate invoice shall be issued by the Seller, unless agreed otherwise.
16. The Goods shall be packed in a manner that is suitable for the agreed type of Goods and the agreed method of transportation in order to prevent any damage to the Goods during transportation to the agreed place of delivery, and to ensure safe handling and storage of the Goods. The packages and padding materials used shall only be returned if their return is expressly agreed upon in the Contract. In such cases, the package number, package owner and a clear marking that the package is returnable must be displayed on returnable packages, otherwise the packages shall be treated as non-returnable. All packages must be environmentally friendly and must comply with the statutory requirements of the applicable generally binding legal regulations.
17. All costs associated with the transportation and handover of the item at the place of performance, including the costs for packages, packing and securing the Goods for transportation, and for returning the packages if applicable, shall be borne by the Seller.
18. The Seller shall hand over the documents that are necessary for the acceptance and free disposal of the Goods in due time no later than upon delivery of the Goods. The documents must be legible, clear, without mistakes, and must include the Contract number. Unless otherwise required by the Buyer, the documents must be prepared in Czech.
19. The title to the Goods shall pass from the Seller to the Buyer simultaneously with the transfer of the risk of damage to the Goods.
20. The Seller is aware of the potential risk of a substantial change in circumstances, consisting in a disproportionate increase of the costs for the performance, and assumes this risk of a substantial change in circumstances.
21. The Seller expressly states that, as of the date on which the Contract is concluded and the Goods are delivered to the Buyer, the Goods are not pledged or encumbered with any third-party rights, nor do they contain any legal defects.

WORK PERFORMANCE (CfW)

22. The Contractor undertakes to perform the Work for Customer, on the Contractor's own costs and risk, and the Customer undertakes to take over the duly and in a timely manner completed Work and to pay for it the agree upon Contract Price to the Contractor.
23. The Work per these Terms and Conditions shall be activities leading to creation of an object (unless covered by a purchase contract) and also any corrections, maintenance or service of an object or activities which generate other results (hereinafter only the "Work"). The completed Work, in its tangible and intangible form (hereinafter also the "Subject of Work") shall be the particular result of activities.
24. The Contractor shall perform the Work and hand the completed Work to the Customer in the scope and the quality agreed upon in the Contract. If the quality is not stipulated in the Contract, the Contractor is obliged to complete the Work and hand it over to the Customer in the quality and design in accordance with the technical standard or in the quality fit for the agree upon purpose or the or the purpose resulting from the Contract and/or the purpose, for which such Work is usually used and at the same time in compliance with all generally binding legal, technical, safety, including the Customer's internal regulations regarding the occupational health and safety and fire protection, and other regulations applicable to the agreed upon type of the Work.
25. The Contractor is obliged to hand over the Work to the Customer, on the Contractor's own costs and risk, with all documents related to the Work, in the time and place agreed upon in the Contract. Unless agreed upon otherwise in the Contract, the place of delivery shall be the Customer's registered office.
26. In the event of transport the Work must be packed in a manner suitable for the agreed upon type of the Work and

the agreed upon type of transport, to prevent occurrence of any damage to the Work during its transportation to the agreed upon place of hand over, to secure safe handling and storing of the Work. The used packing and fastening materials shall be returned only if agreed upon in the Contract. In such case the packing must be marked as returnable, with the packing number, the packing owner and a legible packing returnability character, otherwise it shall be deemed nonreturnable. All packing must be environment friendly and must comply with the legal requirements of the generally binding legal regulations.

27. All costs associated with the Work transportation and handing over in the place of performance, including the packing material, packing and the Work securing for transport, the packing returning respectively, shall be borne by the Contractor.
28. In a timely manner, not later than at the Work hand over, the Contractor is obliged to hand over to the Customer the documents stipulated in the Contract, certificates and instruments necessary for the Work take over and free handling, customs clearance and use, and use, and namely also the documents governing the conditions of the Work installation, operation, storing and maintaining. The documents must be well legible, clear, free of any mistakes and must bear the Contract number. Unless requested otherwise by the Customer, the documents must be elaborated in Czech language.
29. The Report on the complete Work hand over by the Contractor and take over by the Customer shall be drawn and signed by the authorized representatives of both Parties. Should the completed Work be an object, the proof of the Work hand over and take over shall be the delivery note confirmed by the Customer's representative.
30. The Work completion and hand over in parts shall be permissible only in cases expressly agreed upon by the Parties in the Contract.
31. Should the Contractor perform the Work within the Customer's premises or in places secured by the Customer for the Work performance, the Customer shall be the owner of the object intended for the Work performance and shall carry the risk of damages to the object. In all other cases the liability to the object and the risk of damages to the object passes from the Contractor to the Customer as of the Work take over by signing the Hand over Report/Acceptance Report/by the Customer's representative. Should the subject of the work be repairs, maintenance or adjustment of an object, the liability to the object shall not pass to the Contractor.
32. The Contractor acknowledges the potential risk of significant changes in the circumstances based on origination of disproportional increase of the costs of performance and hereby adopts such a risk of changes in the circumstances on itself.
33. The Contractor undertakes to secure that the complete Work shall be free of any liens, legal defects or third person's rights.
34. Any time during business days the Customer shall be entitled to inspect the Work, or part thereof, performance in the Contractor's or its sub-contractor's premises and also directly in the place of the Work performance. Within the warranty period the Contractor shall be obliged to maintain the quality management system for the Work performance in the scope and quality equal to that valid in the time of the Contract signing or higher.

QUALITY WARRANTY, LIABILITY FOR DEFECTS (PC)

35. The Seller gives the Buyer a quality warranty for the delivered Goods for a period agreed individually in the Contract, otherwise for a period of 24 months from the date of due delivery of the Goods to the Buyer.
36. If the warranty period specified in the Contract differs from the warranty period specified in the warranty certificate, the longer period shall apply. If the warranty period specified in the Contract differs from the warranty period specified on the package, the period specified in the Contract shall apply. If the warranty period specified in the warranty certificate differs from the longer warranty period specified on the package, the longer period specified on the package shall apply.
37. The Buyer is entitled to report any discovered differences in quantity or visual defects within 14 days from delivery of the Goods to the Buyer. The Buyer is entitled to report any other defects within the complaint period, which is equal to the warranty period. A complaint about a defect shall be made in due time if it is sent by the Buyer on or before the last day of the warranty period.
38. The Buyer is obliged to notify/reproach the Seller for any defects found in writing, by letter, fax, or e-mail. The Buyer shall describe the detected defect, or state how it manifests itself, and notify the Seller as to which of the rights arising under liability for defects the Buyer has chosen, as well as the deadline by which the defect is to be removed. The method chosen by the Buyer is binding on the Seller.
39. The Seller is obliged to remove the detected defects of the Goods under the right arising from liability for defects chosen by the Buyer within 7 days of delivery of the notice. If the Buyer chooses to remove the defect or deliver new Goods without defects, the Buyer shall determine a reasonable remedial period for the Seller. When new Goods are delivered, the Buyer shall return the defective Goods according to the transportation instructions.

communicated by the Seller at the Seller's expense. If requested by the Buyer, the Seller shall send a representative without delay to check and evaluate the claimed defect.

40. If the Seller is delayed in removing the claimed defect within the period determined by the Buyer or agreed upon by the Parties, the Buyer shall be entitled to remove the defect themselves or through a third party at the Seller's expense. The Seller shall reimburse the costs to the Buyer within 30 days of delivery of the relevant bill. If the defect cannot be removed or its removal would require disproportionate costs, the Buyer shall be entitled to withdraw from the Contract, or to choose any other right arising from liability for defects.
41. The Seller is obliged to remove the claimed defects even if the Seller does not admit them. The Seller shall always use new and original spare parts for warranty repairs.
42. Until any defects are removed, the Buyer shall not be obliged to pay a part of the Purchase Price (if not paid yet) which, based on an estimate, corresponds to the Buyer's right to a discount. This part of the Purchase Price shall be retained by the Buyer until the defect is removed.
43. The exercise of a right arising from liability for defects shall not prevent the Buyer from exercising any other legal rights.
44. In addition to the rights arising from liability for defects, the Buyer shall be entitled to claim against the Seller any damage incurred by the Buyer due to a breach of the Seller's obligations, including the costs of any disassembly and reassembly of the defective Goods or any other costs associated with the defective Goods. The Buyer is entitled to charge such damage, and the Seller is obliged to compensate the Buyer for the damage within 30 days from the delivery of the bill to the Seller.

QUALITY WARRANTY, RIGHTS ARISING FROM DEFECTIVE PERFORMANCE (CfW)

45. The Contractor provides the Customer with the quality warranty for the complete and handed over Work in the period individually agreed upon in the Contract, otherwise in the period of 36 months from the duly hand over and take over of the Work by the Customer. Should any of the Work properties not be expressly stipulated in the Contract, the Contractor warrants to the Customer that during the warranty period the Work shall maintain the properties adequate to the purpose, for which the Work is usually used.
46. Should the warranty period provided in the Contract and in the Warranty Certificate differ, the longer warranty period shall prevail. The warranty period shall be extended by the period, during which the Work cannot be used due to defect within the Contractor's responsibility.
47. Should the Customer discover any defects of the taken over Work, the Customer shall inform the Contractor on such a fact without any undue delay upon its discovering. The defect claim shall be timely, if sent by the Customer on the last day of the warranty period.
48. The Customer shall be obliged to notify/claim the defects in writing, by a letter, fax or e-mail. The Customer shall describe the discovered defect or state, how it is demonstrated, and notify the Contractor on its chosen right arising from defective performance, as well as on the lead-time, by which such defect shall be removed. The manner chosen by the Customer shall be binding for the Contractor.
49. The Contractor shall be obliged to commence with removal of the claimed defects not later than within 3 days from the claim receipt, unless another lead-time is stipulated in the claim. The Contractor shall be obliged to remove the defects of the Work within the period stipulated by the Customer, otherwise in the period adequate to the scope and nature of the claimed defect, however not later than within 10 days from the claim receipt, unless agreed upon otherwise by the Contracting Parties in writing. Should the defect be of an emergency nature or threatening the Work's operation or safety, the defect removal period shall be 24 hours from such defect announcement, unless agreed upon otherwise by the Contracting Parties. Should the Customer require it, the Contractor shall be obliged to send its representative to without any undue delay inspect and evaluate the defect within 48 hours from the defect announcement.
50. Should the Contractor be in a delay with removal of the claimed defect in the period stipulated by the Customer or agreed upon by the Contracting Parties, the Customer shall be entitled to remove the defect on its own or by a third person on the Contractor's costs, which the Contractor shall be obliged to pay the Customer within 30 days from their invoicing. Should the defect be of an irremovable nature or should disproportional costs be associated with its removal, the Customer shall be entitled to withdraw from the Contract, choose another right arising from the defective performance respectively.
51. Until the defect removal the Customer shall not be obliged to pay the part of the Price for the Work (unless paid already), proportionally corresponding to the Customer's right to a discount. The Customer shall withhold such part of the Price until the defect removal.
52. The Contractor shall be obliged to remove all claimed defects of the Work also should the Contractor not accept

such defects. In such disputable cases the Contractor shall bear the costs of the claimed defects removal until the court's decision issuance.

53. Exercising the right from defective performance shall have no effect on the Customer's right to claim performance arising from any other legal titles.
54. Besides the rights from defective performance the Customer shall be entitled to claim from the Contractor the damages incurred by the Customer due to any breach of the Contractor's obligations, including the costs of any potential defective Work disassembling, new assembling, potentially any other costs related to the defective Work. The Customer shall be authorized to charge such damages and the Contractor shall be obliged to pay such damages to the Customer within 30 days from the invoice receipt by the Contractor.

PAYMENT TERMS (PC, Cfw)

55. The Buyer/Customer shall pay the Purchase Price/Price for the Work (hereinafter the "Price for the Work") specified in the Contract to the Seller/Contractor, including all costs associated with the Goods/Work, including packaging, transportation, etc. The Purchase Price/Price for the Work shall be increased by value-added tax at the rate determined by Czech Act No. 235/2004 Coll., on Value-Added Tax (hereinafter referred to as the "VAT Act"), as amended. The Purchase Price/Price for the Work shall be paid to the Seller/Contractor by bank transfer on the basis of an original tax document – invoice (hereinafter referred to as the "Invoice"). The Invoice shall be delivered to the Buyer/Customer and must particularly contain:
 - Buyer's/Customer's Contract number;
 - The scope (quantity) and subject matter of the Contract, identified as "SKP";
 - The contractual price per quantity unit and the total price in the agreed currency;
 - The account number including the code of the bank into which the payment is to be made;
 - The maturity period of the Invoice, which shall commence on the date on which the Invoice is delivered to the Buyer/Customer;
 - Requirements of a tax document under the VAT Act.
56. Invoices shall be accompanied by a document proving due delivery of the Goods/Work (Delivery Note or Goods Handover and Acceptance Report).
57. The Buyer/Customer reserves the right to return the Invoice to the Seller/Contractor for correction or completion if it does not contain the details agreed upon or stipulated by law, or does not contain the accompanying document specified above. In such cases, the agreed maturity period shall commence on the date on which the corrected Invoice is delivered to the Buyer/Customer.
58. The Buyer/Customer shall pay the Purchase Price/Price for the Work by transfer order to the account number specified in the Seller's/Contractor's Invoice, and the obligation to pay the Purchase Price/Price for the Work shall be treated as fulfilled on the date on which the amount is debited from the Buyer's/Customer's bank account and credited to the Seller's/Contractor's bank account specified in the Invoice.
59. If a period for the payment of the Purchase Price/Price for the Work is not expressly agreed in the Contract, the Buyer/Customer shall pay the Purchase Price/Price for the Work within 90 days of the delivery of the proper Invoice by the Seller/Contractor.
60. The Seller/Contractor shall become entitled to the payment of the agreed Purchase Price/Price for the Work once the Seller/Contractor fulfils the obligation to hand over the Goods to the Buyer/the Work to the Customer.
61. Should the Parties be delayed with the payment of any financial obligations within the maturity period, the amount of default interest shall be 0.02% of the due amount for each day of the delay.
62. If the Buyer/Customer pays the principal first, the costs and interest shall not accrue interest (Section 1932 (2) of the Czech Civil Code).
63. If the tax administrator decides, in accordance with Section 106a of the VAT Act, that the Seller/Contractor is an "Unreliable Taxpayer", the Seller/Contractor shall notify the Buyer/Customer of this fact without delay in writing, no later than 48 hours after this decision takes effect. The written notice shall contain in particular the date on which the decision of the tax administrator took effect, and the name and number of the bank account of the competent tax office, including the variable symbol. If a decision is issued identifying the Seller/Contractor as an unreliable payer according to Section 106a of the VAT Act, or if the Invoice requires a payment to be made into a bank account which the Seller/Contractor has not specified in the list maintained by the tax administrator, the Buyer/Customer shall be entitled, according to Section 109a of the VAT Act (Special Means of Securing the Tax), to pay the VAT amount specified in the Invoice to the account of the competent tax administrator.
64. The Seller/Contractor is not entitled to set off unilaterally any of their claims against the Buyer/Customer.

65. The Seller/Contractor shall be entitled to pledge any claims against the Buyer/Customer for the benefit of a third party, to transfer rights or liabilities as a security, or to assign the claims, only on the basis of a prior written agreement between the Parties, or on the basis of the prior express written consent of the Buyer/Customer.

PROTECTION OF INDUSTRIAL AND INTELLECTUAL PROPERTY RIGHTS (PC, CFW)

66. Any technical documentation (drawings, technical documents, calculations, procedures, manuals, etc.) which the Buyer/Customer provides to the Seller/Contractor as supporting materials for the manufacture of the Goods/Work (hereinafter referred to as the "Technical Documentation") is the exclusive intellectual property of the Buyer/Customer. The exclusive intellectual property of the Buyer/Customer shall include all technical solutions and other solutions and procedures which are recorded in the Technical Documentation and which are marked as such.
67. Without the express written consent of the Buyer/Customer, the Seller/Contractor shall not be entitled to publish or disclose the Technical Documentation to any third party, nor to use it for their own benefit or the benefit of any third party. The Seller/Contractor is only entitled to use the Technical Documentation in connection with the manufacture of the Goods/Work. This obligation does not apply to administrative or other public bodies or authorities if they carry out inspections or other supervision regulated by applicable legal regulations.
68. If the subject matter to be supplied under the Contract is a tangible result of activities (hereinafter referred to as the "Tangible Result") which is protected by an industrial or other intellectual property right, by signing the Contract, the Seller/Contractor grants the Buyer/Customer a free licence to use the Tangible Result, including the right to use it for other purposes than those stated in the Contract. The licence shall cover the Buyer's/Customer's right to use the Tangible Result without limitation with respect to time and place, and the right to grant a sub-licence to a third party.

CONTRACTUAL PENALTIES (PC, CFW)

69. Should the Seller/Contractor be delayed with the delivery of the Goods/Work to the Buyer/Customer within the period agreed in the Contract, the Buyer/Customer shall be entitled to charge the Seller/Contractor, and the Seller/Contractor shall be obliged to pay the Buyer/Customer, a contractual penalty equal to 0.5% of the total Purchase Price of the Goods/Price for the Work of the Work (excl. VAT) for each day of the delay.
70. For every detected and reported defect in the Goods/Work, including errors in documents required for the use of the Goods/Work, which the Seller/Contractor fails to remove within a period determined by the Buyer/Customer, the Buyer/Customer shall be entitled to charge the Seller/Contractor, and the Seller/ shall be obliged to pay the Buyer/Customer, a contractual penalty equal to 0.5% of the Purchase Price/Price for the Work (excl. VAT) for each individual defect and each day of the delay in removing the defect.
71. If the Seller/Contractor prepares incorrect or incomplete documents that are required for acceptance of the Goods/Work, the Buyer/Customer shall be entitled to demand a contractual penalty from the Seller/Contractor equal to CZK 5,000 for each incomplete or incorrect document.
72. In the event of any breach of the obligation provided in the Art. 67 hereof, the Customer shall be entitled to charge to the Contractor the contractual penalty amounting to CZK 100,000 for each individual breach of the obligations, also repeatedly. The obligations stipulated in the Art. 67 hereof shall not cease to exist by payment of the contractual penalty.
73. If the duty to provide notification stated in the Art. 63 of these Conditions is not fulfilled, the Buyer/Customer shall be entitled to charge the Seller/Contractor a contractual penalty equal to 20% of the Purchase Price/Price for the Work.
74. The contractual penalty for a breach of the Seller's/Contractor's obligations stated in the Art. 65 of these Conditions shall be 20% of the claim that would have been the subject of the breach of the determined obligation.
75. The Buyer's/Customer's right to compensation for damages shall not be affected by the payment or charging of a contractual penalty. The Buyer/Customer is entitled to exercise these rights separately in parallel without regard to any claim for or payment of a contractual penalty by the Seller/Contractor.
76. Any invoiced contractual penalties and claims for compensation for damages shall be due within 30 days of delivery of the relevant invoice or other payment request to the other Party.

WITHDRAWAL FROM THE CONTRACT (PC)

77. Either Party shall be entitled to withdraw from the Contract in the event of a substantial breach of the Contract by the other Party. The notice of withdrawal from the Contract must be made in writing.
78. A substantial breach of the Contract by the Seller primarily means a breach of the obligation to hand over the Goods to the Buyer properly and in a timely manner, and a delay with the removal of a defect in the Goods.
79. The Buyer is entitled to keep a part of the Goods which is delivered before the withdrawal from the Contract. The Buyer shall notify the Seller in writing of the Goods which will be kept by the Buyer within no more than five (5) days of the delivery of the notice of withdrawal by the Seller or the Buyer. The Seller shall be entitled to a proportionate amount of the Purchase Price for the Goods kept by the Buyer. The Seller undertakes to take back other delivered Goods from the Buyer at the Seller's expense if the withdrawal from the Contract occurred due to a breach of obligations by the Seller.
80. Upon withdrawal from the Contract, all rights and obligations of the Parties shall expire, with the exception of contractual penalties, default interest, compensation for damages, rights arising from defects, rights arising from a security, and arrangements that, due to their nature, are to be binding even after the withdrawal from the Contract (e.g., the confidentiality obligation, industrial and intellectual property rights, etc.).

WITHDRAWAL FROM THE CONTRACT (CfW)

81. Any of the Contracting Parties shall be entitled to withdraw from the Contract from the reasons provided in the law, the Contract and these Terms and Conditions. Withdrawal from the Contract must be made in writing.
82. Each of the Contracting Parties shall be entitled to withdraw from the Contract should the other Party become bankrupt and should a proposal for voluntary or forced bankruptcy declaration be filed as a result of the Party's payment inability.
83. The reason for withdrawal. Shall be a serious breach of the Contract by the Contractor, which shall namely be the breach of the Contractor's obligation to complete and hand over the Work to the Customer duly and in timely manner and any delay with removal of defects.
84. Should the title to the duly completed Work pass to the Customer before withdrawal from the Contract:
 - a) after the withdrawal the Work shall remain in the property of the Customer and the Contractor shall be entitled to a substitute performance up to the amount, in which the Customer benefits from the used Work, or
 - b) the Customer shall be entitled to return the Work, if it is possible with regard to the nature of the Work, and at the same time the Contractor shall be obliged to return to the Customer the Price paid for the performed Work
85. Withdrawal from the Contract shall terminate all rights and obligations of the Parties, except for the contractual penalties, delay payment interests, compensation of damages, rights results from defects of the Work, rights resulting from security and other provisions, which shall, from their nature, survive and be of a binding nature also after withdrawal from the Contract (e. g. the confidentiality obligation, rights of industrial and intellectual property, etc.) and other rights stipulated by generally binding legal regulations.

FINAL PROVISIONS (PC, CfW)

86. The legal negotiations between the Buyer/Customer and the Seller/Contractor shall take place exclusively in writing. No other forms of expression of will shall establish any obligation for the Parties and shall not be construed in contravention of the provisions of the Contract or its Amendments.
87. The Seller/Contractor and the Buyer/Customer declare that they shall not infer any rights and obligations from the current or future practice established between them, from generally observed customs, or from the industry of the delivered Goods/Work, above and beyond what is laid down in the concluded Contract and these Conditions.
88. No obligation under the Contract or these Conditions is a fixed obligation, unless otherwise stipulated in the Contract.
89. The rights and obligations of the Parties, as well as the legal relations resulting from or arising out of the Contract shall be governed by the concluded Contract, these Conditions, the Civil Code (Act No. 89/2012 Coll., as amended), and other generally binding legal regulations of the Czech Republic.
90. All disputes arising out of or in connection with the Contract shall be settled by mutual agreement between the Parties. If the Parties fail to resolve any such disputes amicably, the competent court of first instance for resolution of disputes shall be the ordinary court having local jurisdiction over the Buyer's registered office.

91. The Seller/Contractor is obliged to implement and maintain a quality management system to a minimum extent of EN ISO 9001: 2015.
92. The Seller/Contractor is obliged to guarantee the use of approved resources, especially in the case of specific processes.
93. The Seller/Contractor is obliged to keep the product documentation for 10 years. After this period, the Seller/Contractor is obliged to invite the Buyer/Customer to decide on the particulars of further handling of the documents.
94. The Buyer/Customer must be informed by the Seller/Contractor of any use of a non-conforming process, product or service and prevent the use of counterfeit products. In addition, the Buyer/Customer must be informed of any changes relating to the supplied processes, products, and services.
95. The Buyer/Customer reserves the right to enter the Seller's/Contractor's plant and inspect the relevant documentation for its own control bodies and for the control bodies of customers, as well as for national and supranational regulators.
96. Should any provision of these Conditions or a specific Contract prove to be or become invalid or ineffective, or be not taken into account according to law, this shall not affect the validity, effect, or legal soundness of the remaining provisions. In such cases, the Parties shall immediately conclude an Amendment, whose contents shall replace the invalid or ineffective provision with a provision that is as close as possible to the meaning and purpose of the original provision.

These Purchase Terms and Conditions are valid and effective from 10 June 2020