**Purchase Terms and Conditions of Eberhard Automatizace, s.r.o.**

1. These Purchase Terms and Conditions determine a part of the content of every contract concluded between the customer and the supplier, on the basis of which the supplier undertakes to hand over the goods to the customer and allow the customer to acquire the ownership title to those goods, while, at the same time, the customer undertakes to take over the goods delivered and pay the arranged price for the Goods to the supplier (hereinafter referred to as the “Contract”). The customer shall be understood Eberhard Automatizace, s.r.o., with its registered office at Jihlava, Znojemská 80d, company ID no. 283 20 565, registered in the Commercial Register kept by the Regional Court in Brno, Section C, Entry 60970.

2. All legal acts related to the Contract must be carried out in writing. The following is excluded for every Contract concluded between the supplier and the customer: a) a possibility to conclude or amend the Contract orally, tacitly or by a factual act (i.e. only by a contracting party behaving in a particular manner without having a legal reason for such behaviour); b) a possibility to accept an offer with any amendment, reservation or difference; c) a possibility to assign the Contract or its part; and d) a possibility to unilaterally amend the Contract. Silence, inaction (e.g. a failure to raise protest) or an act of omission do not induce any legal consequences on their own and cannot be interpreted as a waiver of a right, remission of a debt, consent or acceptance (e.g. of goods or an offer) unless the content of the already concluded Contract implies something else. In order to induce legal consequences, the customer’s waiver of a right must be executed in writing.

3. Goods shall be understood all movables, services or works specified in a legal title (especially an order), always including the accessories and parts, licences and all related property titles, both material and intangible, and the industrial or intellectual property rights. The supplier declares that:

a. It is fully authorized to handle the goods in an unlimited manner and transfer the ownership title and property rights to the goods onto the customer;

b. With regard to the specialized nature of the goods as specified by the law, it is a professionally qualified entity and that it is able and willing to fulfil its obligations as an expert;

c. The goods have not been transferred or burdened in favour of a third party;

d. The goods are not burdened with any factual or legal defects, debts or obligations (e.g. taxes), liens, pre-emptive rights, leases or other securities or burdens;

e. The goods are not subject to any execution, judicial, insolvency, arbitration or administrative proceedings;

f. The goods comply with the customer’s requirements and are suitable for the purpose which they are expected to serve and with which the supplier has become familiar;

g. The goods are new, intact, comply with the technical, hygienic and safety standards, requirements for products, and all binding legal regulations;

h. Pursuant to legal regulations protecting the environment the goods are not polluted or contaminated;

i. Transfer or use of the goods will not constitute an illegal interference in absolute or relative rights of third parties.

4. The supplier shall be obliged to deliver the goods according to the assignment and drawings of the customer and in compliance with applicable regulations, standards and other potential requirements of the customer. The supplier’s performance must be in the top possible quality and must correspond with reference samples if any were approved and must be proper and timely. The supplier shall be obliged to notify the customer of the incorrectness or unsuitability of the customer’s instructions, drawings or other documentation that the supplier could or was expected to discover exerting professional care. Packaging or accessories form a part of the goods; however, this fact shall not affect the packaging collection obligation.

5. With regard to the production management, the customer is not interested in late or partial performance, and therefore the supplier shall ensure timely performance (stocking up) so that the delivery terms arranged are always met. If a delivery of the goods is late or incomplete, it can be rejected and sent back at the supplier’s expenses. The customer reserves the right to reject an early delivery as well as a delivery that it was not notified of in advance. If the supplier fails to deliver the goods in due time, the customer shall be entitled to claim a contractual penalty amounting to 0.05% of the value of the goods for every started day of the delay, however, no more than 20% of the value of the goods. Self-help sale of the goods within the meaning of the law is hereby excluded.

6. The supplier shall arrange, at its own expenses, all official licences and permissions (including the payment of duty and fees) that are necessary for the delivery of the goods under the Contract, also in a foreign country if the goods are to be delivered there. The supplier shall do so by the date of the goods ownership title transfer. If an official licence or permission is not granted, it shall not exclude or reduce the supplier’s liability.

7. The place of performance is the customer’s business premises specified in the legal title (order). The ownership title to the goods, related benefits, the liability for damage to the goods and the liability for a change in circumstances shall pass onto the customer at the moment of the goods takeover.

8. The supplier shall be obliged to enclose to the delivery of the goods all documents in Czech, or also English or German languages (especially the appropriate technical documentation, certificates, declaration on preferential origin of the goods, other declarations required by legal regulations or the customer, revision reports, warranty documents). The supplier shall inform the customer in writing of hazardous substances or preparations and mark them as required by legal regulations effective in the territory of the Czech Republic; the supplier shall also inform the customer in writing of any hazardous properties of the goods. At the customer’s request, the supplier shall document to the customer fulfilment of the obligation to pay the duties, fees or taxes related to the goods.

9. The supplier shall be completely responsible for the final inspection of the goods and assessment whether or not the goods comply with the Contract. After the goods have been delivered to the place of performance, they shall be checked for potential apparent external defects. The customer shall not be obliged to carry out an in-depth initial inspection or test or measure the goods. Acceptance of the goods by the customer after the goods have been delivered or processed does not mean unreserved acceptance; the supplier shall not be released from its liability arising out of defective performance.

10. If the Contract is concluded for recurrent performance (i.e. more than one delivery of the goods), the customer and the supplier shall be entitled to unilaterally terminate the Contract without stating the reason or for any reasons, while the notice period shall be 2 months and shall start on the first day of the month following the month in which the notice of termination is delivered. In case of recurrent performance, however, the customer shall not be obliged to cooperate solely with the supplier or purchase any minimum volume (quantity) of the goods. The customer shall not even be obliged to purchase goods that were reserved, consigned or preliminarily arranged (on the basis of an outlook or stocking up) with no binding effect.

11. The supplier shall be obliged to pay sufficient attention to prevention of delays and damage. The supplier shall be obliged to describe to the customer, in good time, an obstacle that prevents, will prevent or might prevent the supplier from fulfilment of its obligations; such a notification must be submitted to the customer immediately after the supplier learns or could learn about the obstacle when exerting due care. The supplier shall compensate the customer for all damage caused to the customer by defective performance (defective goods). The supplier shall also be obliged to protect and indemnify the customer, at its own expenses, against any claims of third parties if they are related to defective performance of the supplier (defective goods), or pay damages to the customer in such cases. Potential related extra costs expended with an aim to prevent or minimize delays or damage shall be borne by the supplier. The arrangement concerning a contractual penalty or payment of the contractual penalty shall not affect or restrict the entitlement to damages. All damages shall be paid in monies.

12. The delivery terms and conditions of the official interpretation rules of ICC Incoterms 2010 shall apply to the contractual relationship of the customer and the supplier as a supportive regulating measure. Unless a particular clause is specified in the order, the delivery parity DAP shall apply (the address of the customer’s business premises included in the order).

13. The arranged prices can only be amended on the basis of a written agreement of the contracting parties; the prices are final and include, besides others, the licences to using and spreading of those components of the goods that the supplier created, which are protected as intellectual property (an author’s work), as well as all other goods related costs. Applicable tax shall be added to the prices without VAT. If, at the moment of taxable performance, the fact that the supplier is an unreliable VAT payer is published in the manner allowing distant access, the customer shall be entitled to pay a part of the purchase price equalling the appropriate VAT (or the VAT itself) directly to the tax administrator in compliance with the provision of Section 109a of the VAT Act. Taking this step, the customer’s obligation to pay to the supplier the corresponding part of the purchase price will be fulfilled.

14. The goods shall be paid on the basis of a proper invoice, which must contain the order number. The invoice shall be issued with the maturity period of at least 30 days following its delivery to the customer. The customer shall be entitled to return an incorrect or incomplete invoice within its maturity period to the supplier for completion without getting into delay. Any payment of the customer shall never mean unreserved acceptance of the goods and shall not affect the customer’s rights arising out of the supplier’s defective performance.

15. The supplier shall provide the customer with quality warranty of 12 months unless a longer warranty is arranged. The goods shall be eligible for using for the purpose arranged and shall have at least the properties arranged for at least the specified warranty period.

16. The quality warranty shall not expire or be restricted if a) the customer interferes in the goods in compliance with their purpose; b) the customer inspects the goods in order to discover potential defects and the goods change their condition; c) the customer fails to inspect the goods after their delivery; d) the customer is late with reporting a defect after it might have discovered it during a timely inspection exerting sufficient care; e) the customer is late with choice of the right that it holds due to defective performance.

17. If the goods show a defect during the warranty period, the customer shall exercise its right by means of a written complaint. The costs related to a rightful complaint shall be borne by the supplier. If the customer exercises its right to removal of a defect, the supplier shall be obliged to remove the defect within ten (10) calendar days following the complaint delivery. If the supplier is unable to do so, it is obliged to immediately inform the customer. In such an event or if the supplier fails to remove the defect in due and timely manner, the customer can exercise a different right or remove the defect on its own and claim compensation corresponding to the costs of the defect removal. This shall also apply if the customer chooses the right to additional removal of defects and those defects turn to be irremovable.

18. If one or more provisions hereof become invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other terms and conditions. This shall also apply if the supplier is in the position of a consumer, while the Purchase Terms and Conditions shall apply adequately so that they do not contradict the legal protection of the consumer.

19. The contracting parties undertake to make every effort to settle any potential disputes arising out of the Contract in an amicable manner; they undertake to proceed so that the disputable situation is explained objectively, and for that reason they undertake to provide each other with necessary cooperation. In case of legal proceedings concerning a dispute with an international element, the court with the territorial jurisdiction according to the customer’s registered office shall be competent to decide the dispute. The decisive law shall always be the law of the Czech Republic, while reference to different laws are hereby excluded.