

General Terms and Conditions of Purchase of Goods and Services

Chart Ferox, a.s.
Ustecka 30, 405 30 Decin, Czech Republic

1 General

1.1 Contract

Contract and all its addendum are valid only if signed by both parties.
Seller shall acknowledge the received PO in writing.
All correspondence and documentation shall always contain the number of the contract of Chart Ferox, a.s.

1.2 Notice

All notices, report or other communications in connection with a contract shall be made in writing, and shall be forwarded to attention of the persons representing the Seller and Buyer.

1.3 Publicity

It is not allowed to publicise any documents related to the Contract.

1.4 Drawings, models, tools

All drawings, written documents, models and tools which are issued by the Buyer remain owned by the Buyer.
Above mentioned drawings and other documents as well as drawings and documents prepared by the Seller based on information provided by the Buyer will not be used in other way then related to the Contract and will not be disclosed to the third party. Seller is liable for and damage caused to the Buyer by violating this rule.

1.5 Liability for technical data

Drawings, calculations and other documents of the Buyer don't release Seller's responsibility for the correct supply of the goods/services. It also applies to all proposals and recommendations of the Buyer.

1.6 Checks by the Buyer

Buyer will have right (after notice) to inspect production status, usage of appropriate material and proper performing of the work at the Seller workshop(s).

1.7 Spare parts

Supplier will ensure availability of the spare parts for at least 3 years after the warranty period.

2 Transport of dangerous goods

Supplier will pack, mark and transport the dangerous goods in accordance with the latest applicable regulations.

3 Export licence

Supplier will inform Buyer if the goods require export licence.

4 Delivery terms

If the Seller recognizes that the agreed delivery term can not be met he would immediately inform the Buyer in writing.
Earlier supplies require agreement of the Buyer. Not meeting the delivery term can be treated as severe violating of the Contract with all the consequences including withdrawal of the Contract.

5 Contract penalties

5.1 Late delivery

In case of a delayed delivery, the Seller shall agree to pay a contract penalty amounting to 5% for every commenced week of delay, however a maximum of 15%, both from the value of the material not supplied under the contract or upon call off.
The period for the counting of the contract delay shall start to be counted on the date when the delivery date has expired. This provision shall not affect the right of the Buyer for damages in full incurred due to the delayed delivery.

5.2 Late payment

In the event that payment is delayed against the payment provision, the Buyer shall undertake to pay an interest for delay at an amount of 0.05% of the amount charged for every day of delay.

6 Prices

Prices agreed in the Contract are fixed.
Prices are understood with necessary packing delivered according to the terms of Contract.

7 Payments

Misunderstanding or disputes regarding payments will not entitle Seller to stop supplies even partially and temporarily.
Payment will be done according to the payment terms agreed in the Contract.

8 Invoices

All invoices shall contain the following data:

- Invoice/Rechnung – without any adjectives
- Correct identification of the Buyer
- Declaration of the origin of goods in case that the EUR 1 certificate is not issued.
- Number of the contract of Chart Ferox, a.s., identification number of the item (items) of the contract where for each item the description, quantity, unit weight, price and currency shall be indicated.
- Incoterms
- Currency of the Contract

9 Warranties

9.1 Warranty scope

Supplier guaranties perfect quality of supplied goods/services, requested properties suitable for intended usage. Supplied goods must meet relevant standards.

9.2 Warranty period

Warranty period is 12 months from the start-up, maximum 24 months from delivery. This term is applicable also after replacement or repair of defect goods.

9.3 Defects of goods

In case a defect to the goods supplied, the Seller shall be obliged to, at his costs, and as expediently as it is commensurate with the situation, at his discretion, however always upon consultation with the Buyer, either correct the defects (for example, repair or remake the goods), or supply new defect-less goods in replacement for the goods suffering from the defects. The Seller shall be fully responsible for damages which have been incurred due to the defects of goods which the goods had of the time of the acceptance of the goods, and which were not possible to identify whilst exercising usual expertise care. In case that the Seller refuses to fulfil his obligations related to defects of the goods as indicated above in this Article, then the Buyer shall be entitled - upon sending the written confirmation to the Seller - without the permission of the Seller, to repair the defects of goods on his own, however at the cost of the Seller. Where this is not feasible, or the defect of the goods has a nature of material breach of the contract, then the Buyer shall have the right to withdraw from the contract to the extent of the defected goods. In the event that defected goods have such a relation to already supplied goods, or to goods which are to be supplied later on, that the partial completion of the order only could constitute serious difficulties for the Buyer, then he shall have the right to withdraw from the contract in full.

10 Liabilities for environment

Seller is liable for the damages incurred by the supply of the goods resulted from violating environmental laws. In such a case Seller is responsible for the damages incurred also to the third parties.

11 Final provisions

11.1 Terms and Conditions of the Seller

The Seller shall recognise that the Commercial Terms and Conditions of the Seller regardless of their being consistent or not with the contract shall on no account be binding on the Buyer, and the Seller shall not even attempt to exert the above terms and conditions in the contract.

11.2 Ruling laws

Other matters not expressly covered by this agreement shall be governed by the Code of Commerce of the Czech Republic, as amended.

11.3 Agreement on Arbitration

The Parties shall endeavour to settle any dispute arising out of the contract amicably. Any dispute arising out of the contract which is not settled amicably within a reasonable period shall be finally judged through common court proceedings.