



1. **OPENING PROVISIONS**

- 1.1. In accordance with Section 1751 of Act No. 89/2012 Coll., the Civil Code (*hereinafter referred to as the Civil Code*), the following General Terms and Conditions (*hereinafter referred to as the GTC*) shall regulate relationships under purchase contracts (*hereinafter referred to as Contracts*) arising between HENNLICH s.r.o. as the seller (*hereinafter referred to as the Seller*) and an individual or a legal person as the buyer (*hereinafter referred to as the Buyer*) for sales of the Seller's goods (*hereinafter referred to as the Subject of Performance*). The Parties may only change, exclude or supplement the provisions of these GTC by way of a written agreement.
- 1.2. Any derogating provisions shall prevail over the provisions of the present GTC.
- 1.3. The use of the Buyer's GTC is excluded, and if the Buyer nevertheless invokes its business terms and conditions even in conflict with these GTC, Contracts shall be entered into pursuant to Section 1751(2) of the Civil Code, where in the event of a contradiction, the default rules of the Civil Code shall always apply.
- 1.4. These GTC are based on the principles of fair trade, the principles of equality between the contracting parties, and the principle that the contracting parties shall adhere to contracts.

2. **AGREEMENT CONCLUSION**

- 2.1. The Seller shall generally, upon request from the Buyer, draw up an offer by way of a written proposal to enter into a Contract, valid for 2 months, unless otherwise agreed. A Contract shall be legally concluded if the Buyer accepts the Seller's proposal within the specified time limit by way of a written order, albeit with a small change within the meaning of Section 1740(3) of the Civil Code.
- 2.2. If the Buyer directly sends an order to the Seller, a Contract shall be entered into if the Seller confirms this order in writing (*order confirmation*), albeit with a minor change, and the Buyer does not reject such change without undue delay.
- 2.3. Substantial additions, reservations, restrictions or other changes contained in an order compared to the offer are considered to be a rejection of the proposal to enter into a Contract, and at the same time a new proposal.
- 2.4. E-mail shall also be considered a valid written form for offers, orders and order confirmation.

3. **PURCHASE PRICE AND PAYMENT TERMS**

- 3.1. The purchase price for the Subject of Performance shall be agreed upon in the Contract, and unless otherwise agreed in the Contract, it shall not include packing charges, freight to the destination, costs of commissioning the Subject of the Performance and training operators, VAT at the statutory rate, possible excise tax, and other necessary costs connected with the import and delivery of the Subject of the Performance, including customs duties when importing from countries outside the European Union.
- 3.2. Other services or payments which are not included in the price of the Subject of Performance must be arranged between the Parties by an agreement beyond the scope of the concluded Contract.
- 3.3. The Seller is exclusively entitled to provide the Buyer with loyalty discounts or other benefits in specific cases.
- 3.4. The Buyer undertakes to pay the purchase price based on a tax document (invoice) issued by the Seller on the date of the taxable supply. The invoice shall be due within 14 days unless agreed otherwise in the Contract, and it is settled once the Buyer pays the invoiced amount by bank transfer into the Seller's bank account. The Buyer is not entitled to unilaterally change the due date of the invoice. If pre-payment has been agreed, the purchase price shall be payable before delivery of the goods on the basis of an advance invoice issued by the Seller after delivery of an order for goods, and the advance invoice shall be due within 3 days unless agreed otherwise.
- 3.5. If the Buyer is in default on payment of an amount billed in an invoice or advance invoice for more than 5 days, the Seller shall be entitled to suspend further agreed shipments of goods until the Buyer has paid all outstanding amounts; the Seller shall also be entitled to request payment for further shipments in advance or in cash upon delivery of the Subject of Performance without being deemed late in fulfilling its mature obligations towards the Buyer.
- 3.6. The Seller shall be entitled to set off all receivables due from the Buyer without limitation, as well as to assign any receivables due from the Buyer to a third party without limitation in accordance with the provisions of the Civil Code.
- 3.7. The minimum total price for the Subject of Performance in a single order is CZK 200. For special products, different minimum prices may be listed in an offer.

4. **TERMS OF DELIVERY AND PASSAGE OF RISK OF DAMAGE**

- 4.1. Unless specified otherwise, the Seller shall provide the goods to the Buyer according to the EXW INCOTERMS 2020 parity, i.e., at the Seller's premises.
- 4.2. The risk of damage to the Subject of Performance shall pass to the Buyer at the moment of takeover at the Seller's premises, or upon handover to the first carrier for transport, regardless of who arranges the transport, the type of transport, and the possible assumption of transport costs.
- 4.3. The Buyer undertakes to duly take over the Subject of Performance based on the Contract and to pay the agreed purchase price to the Seller. The Buyer is obliged to carry out a proper inspection and takeover of the Subject of Performance as soon as it is possible for the Buyer to handle the goods.
- 4.4. The date of delivery of the Subject of Performance may only be changed by agreement between the Parties; the Buyer shall not be entitled to unilaterally change this date and shall, conversely, be obliged to provide the Seller with all cooperation necessary for proper delivery of the Subject of Performance.
- 4.5. The delivery period shall only start to run after the Buyer has fulfilled all its obligations, in particular delivery of complete technical requirements and conditions, approved documents, documentation for the manufacture of the Subject of Performance, and, if applicable, payment of agreed advance amounts.
- 4.6. The Seller is also entitled to provide the Subject of Performance in partial deliveries. If the case of unexpected events that the Seller has not caused (natural disasters, pandemics, nationwide strikes, etc.) or other events of force majeure which prevent the Seller from fulfilling its obligations, the delivery periods shall be extended by the duration of such hindrances.

5. **RESERVATION OF OWNERSHIP TITLE**

- 5.1 The Subject of Performance shall remain the property of the Seller until it has been fully paid for.
- 5.2 Until the Buyer acquires the title to the Subject of Performance, the Buyer shall not be entitled to transfer the title to the Subject of Performance to a third party.

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6. RIGHTS AND DUTIES IN THE CASE OF DEFECTIVE PERFORMANCE

- 6.1. In accordance with the Civil Code, the Seller shall not provide the Buyer with a quality warranty for the Subject of Performance unless expressly stated in the Seller's offer. This does not exclude legal liability for defects in the Subject of Performance.
- 6.2. The Buyer shall be obliged to inspect the Subject of Performance immediately after delivery for defects, damage to the packaging during transport, etc. The Buyer shall notify the Seller in writing of any identified defects without delay, no later than 5 days after acceptance of the Subject of Performance, with an accurate description of the defects (or photo documentation) and prior to possible assembly or use of the Subject of Performance. The obligation to make a claim without delay also applies to hidden defects found later.
- 6.3. If the Buyer breaches the obligation to report defects in a proper and timely manner, the Seller shall always be legally entitled to object to a late complaint, and the Seller may not waive this right.
- 6.4. Written notifications of defects must particularly contain the specifications of the Subject of Performance, the date of delivery, the date on which the defects were discovered, the environment in which the Subject of Performance has been used, and a detailed description of the type and extent of the defects, and, if necessary, how the defects manifest themselves.
- 6.5. The Seller shall not be liable for defects in the Subject of Performance which are particularly caused by:
 - a) improper use of the Subject of Performance, use in conditions for which the Subject of Performance is not designed, or use for a different purpose than that stated in the Contract,
 - b) failure to follow instructions in the user and maintenance manuals,
 - c) ordinary and excessive wear and tear,
 - d) incorrect installation by the Buyer or a third party, improper handling, rough handling or improper storage,
 - e) use of unsuitable materials and use in an improper environment,
 - f) change to the Subject of Performance that has not been approved by the Seller, especially by incorporating parts from a different manufacturer,
 - g) an error in the Buyer's project or construction readiness, and incorrect instructions by the Buyer in the pre-contractual documentation,
 - h) neglecting to remedy previous defects and damage by the Buyer, or defects caused by a third-party intervention, unprofessional repairs or repairs performed by persons without professional training.
- 6.6. After the Buyer reports a defect, the Seller undertakes to confirm receipt of the notification within 5 working days and, at the same time, to discuss with the Buyer the manner and date of settling the Buyer's rights ensuing from liability for defects or from a warranty if one was provided in writing by the Seller.
- 6.7. The Buyer is obliged to allow the Seller to assess the defect on site and, in the event of a dispute about the existence or cause of the defect, to allow the Seller to prepare an independent expert opinion. If the claim is proven to be unjustified, the Buyer shall be obliged to reimburse the Seller for the cost of assessing the claim, among other things, the cost of the expert opinion.
- 6.8. If the Seller is responsible for the notified defect, the Buyer shall be entitled to have the defect remedied free of charge. The justified claim shall be settled by the Seller within a reasonable period of time.
- 6.9. The Buyer is not authorised to remove defects in the Subject of Performance on its own or at its own expense. In the event of a breach of this obligation, the Buyer shall lose its rights arising from liability for defects and possibly from a warranty if one was agreed in writing between the Parties.
- 6.10. Rights and obligations arising from liability for defects not regulated by these GTC shall be governed by the provisions of the Civil Code.

7. CONTRACTUAL PENALTIES AND COMPENSATION FOR DAMAGE

- 7.1. If the Buyer is in default on payment of the purchase price for the Subject of Performance according to the invoice (or advance invoice), the Buyer shall be obliged to pay the Seller a contractual penalty in the amount of 0.05% of the outstanding amount for each commenced day of the delay, but no more than 10% of the total purchase price according to the Contract. This is without prejudice to the right to payment of statutory interest on late payment.
- 7.2. If the Seller is delayed in delivering the Subject of Performance, the Seller shall be obliged to pay the Buyer a contractual penalty in the amount of 0.05% of the purchase price for each commenced day of the delay, but no more than 10% of the total purchase price of the Subject of Performance under the Contract.
- 7.3. The sum of all compensation for damage, including lost profit, that the Seller causes to the Buyer due to a breach of the Contract for any reason (including damage caused by late delivery or defective performance) and contractual penalties shall be limited to a maximum of 10% of the total purchase price of the Subject of Performance under the Contract.

8. WITHDRAWAL FROM A CONTRACT

- 8.1. Compliance with Contracts is expected on principle, and therefore unilateral withdrawal from a Contract is only possible in cases provided for by law or if the Parties so agree in the Contract. The legal effects of withdrawal shall come into force on the date of delivery of a written notice to the other Party.
- 8.2. A material breach of contract also includes, but is not limited to cases where:
 - a) the Buyer is delayed in paying the purchase price or a part thereof for more than 30 days,
 - b) an insolvency petition is filed against the Buyer, or the Buyer becomes an unreliable VAT payer.
 - c) the Buyer violates or has violated international sanctions against Russia and Belarus.

9. PROTECTION OF CONFIDENTIAL INFORMATION

- 9.1. Data or information communicated to the Buyer or the Seller during the negotiation and performance of the Contract are considered confidential within the meaning of Section 1730 of the Civil Code and may also be subject to trade secrets pursuant to the provisions of Section 504 of the Civil Code, and should therefore remain secret. If the Buyer misuses or discloses such confidential information, then the Buyer shall be obliged to compensate the Seller for any damage incurred.

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9.2. Proposals of applications, plans, drawings and other documents provided by the Seller to the Buyer in an offer and during the conclusion or performance of a Contract shall remain the property of the Seller, as shall copyrighted industrial rights, unless otherwise agreed in writing. Such documents may only be provided to third parties or used for other purposes with the written consent of the Seller. At the Seller's request, these documents must be returned immediately.

9.3. In the case of a Subject of Performance produced by the Seller according to drawings, models or other documents that the Buyer provides to the Seller, the Buyer shall bear the risks of a violation of third-party protection rights.

10. JURISDICTION AND GOVERNING LAW

10.1. All disputes ensuing from a Contract shall primarily be settled out of court.

10.2. Any disputes that cannot be resolved amicably shall be resolved by the court with local and subject-matter jurisdiction over the Seller's registered office.

10.3. Arbitration proceedings are expressly excluded.

10.4. Contractual arrangements shall be governed by Czech law, particularly Act No. 89/2012 Coll., the Civil Code.

11. CONCLUDING PROVISIONS

11.1. The Seller reserves the right to unilaterally change these GTC and to inform the Buyer of such changes through its website.

11.2. Should any provisions of these GTC become invalid or ineffective, they shall be replaced by valid and effective provisions whose meaning is as close as possible to the invalid provision, while the other provisions remain in force.

11.3. These GTC shall enter into force and effect on 10 May 2024 and shall fully replace the Seller's previous General Terms and Conditions

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