



SaZ s.r.o.
Koupelni 3908/6
695 01 Hodonin
Czech Republic

Division Sazava
Sazava u Zdaru nad Sazavou 83
592 11 Velka Losenice
Czech Republic

General Trade Conditions SaZ s.r.o.

DELIVERY OF THE WORK

1. INTRODUCTION, VALIDITY OF THE GENERAL TRADE CONDITIONS

- 1.1. These General Trade Conditions are an integral part of the concluded "Work Contracts" between the Contractor and the Client. By the contract for the work, the contractor undertakes to carry out the work for the client at his own expense and the client undertakes to take over and pay for the work.
- 1.2. The express agreements of the parties in the Work Contract deviating from the General Trade Conditions take precedence over the provisions of these General Trade Conditions (hereinafter referred to as the GTC).

2. BASIC CONCEPTS

- 2.1. **Contractor** - business company SaZ s.r.o., with its registered office in Hodonin, Koupelni 3908/6, postal code 695 01, Czech Republic, ID number 648 27 402, registered in the Commercial Register kept by the Regional Court in Brno, section C, insert 29172 (hereinafter also a party to the contract).
- 2.2. **The Client** means the relevant natural or legal person, entrepreneur who independently performs on his own account and responsibility on the basis of a trade license or in any other gainful activity with the intention to engage in this activity systematically for profit (hereinafter also party to the contract).
- 2.3. **The Work Contract** must be in writing and the relevant legal proceedings must be taken freely, seriously and clearly. The Work Contract between the Contractor and the Client is created on the basis of an offer, order, winning of a tender or agreement or in another way. An essential part of the Work Contract is, in addition to the requisites specified in the Civil Code, an agreement on the delivery time. A work means the manufacture of a certain thing, maintenance, repair, modification of a thing or activity with a different result. The contractual language is Czech, unless the parties agree otherwise.
- 2.4. **Documents** are delivered via the holder of a postal license to the address specified in the title of the Work Contract or to data boxes. The document is considered delivered in an unsuccessful attempt at delivery by post on the third day when it was deposited at the post office, even if the client or contractor (hereinafter referred to as the parties) did not know about its deposit.
- 2.5. **The applicable law** is the law of the Czech Republic. The general court of a legal entity is the district court in whose district it has its registered office, the parties further agreed with reference to Section 89a of the Code of Civil Procedure that the competent court of first instance will be the District Court in Hodonin. In the event that the Client is a person who is not domiciled in the Czech Republic, all disputes arising from the contract and in connection with it, which arise between the parties to this contract and will not be amicably resolved within 30 days of the dispute, shall be decided by the Arbitration Court beside the Chamber of Commerce of the Czech Republic and the Agrarian Chamber of the Czech Republic according to its order by three arbitrators. The arbitration proceedings will take place in Prague in the Czech language.
- 2.6. **Substantial breach of duty.** The following, in particular, are considered to be substantial breaches of the Client's obligation:
 - Late payment
 - Failure to take over the finished work for which the Client was invited



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- 2.7. The Client agrees to the processing of the following personal data: name and surname, name of legal entity, address of residence or registered office or identification number, tax identification number, e-mail address, telephone number (hereinafter collectively referred to as "personal data"). Personal data of a client who is a natural person is provided with protection pursuant to Act No. 110/2019 Coll., on the processing of personal data, as amended. The Client has voluntarily provided personal data, agrees to the processing of personal data to the Contractor, for the purposes of the implementation of the Work Contract.

3. CLOSING OF THE WORK CONTRACT

- 3.1. The written order must be delivered to the Contractor and then confirmed by the Contractor in writing back to the Client's address to the agreed (proposed) extent compared to the wording of the order. Based on the agreed order, a Work Contract is created and agreed on.
- 3.2. The work contract may be amended (supplemented) by numbered amendments signed by the parties.
- 3.3. **The price** is agreed upon by the parties and is payable within the agreed term. The Client undertakes to pay the agreed price on the basis of the Contractor's invoice. The invoice can be sent in electronic form. In the event that the due date of the price for the performance of the Work is not stipulated in the Work Contract, the Client is obliged to pay the price for the performance of the work on the basis of the issued invoice and the due date specified therein. The invoice meets the requirements of a tax document according to valid legal regulations.
- 3.4. After signing the Work Contract, the Contractor is entitled to issue advance invoices for a part of the agreed price.
- 3.5. The day of payment of the price for the performance of the work, in the case of non-cash payment, is considered to be the day when the agreed financial amount will be credited to the Contractor's account. The delivered work remains the property of the Contractor until full payment of the agreed price (reservation of ownership).
- 3.6. In the event of the Client's delay in paying the price due for the performance of the Work, the Client is required to pay a contractual penalty of 0.05% of the amount due for each day of delay and statutory default interest. The Contractor is entitled to demand compensation for the damage (detriment) in the event of failure to take over the subject of the Work by the Client.
- 3.7. The date of performance and the place of delivery will be agreed in the Work Contract. Unless the place of delivery is agreed otherwise, it will be the establishment in Sazava near Zdar nad Sazavou 83, 592 11 Velka Losenice. The risk of damage to the entire subject of the Work passes to the Client at the moment when the Client confirms the handover protocol by signing, by which the subject of the work is considered handed over. Until the handover protocol is signed, the Contractor bears the risk of damage to the subject of the work or its part, regardless of the cause, except for damage to the subject of the work or its part caused by the Client's actions arising in the period from the date of commencement of the acceptance procedure until the date of signing of the handover protocol by the contract parties. Ownership of the subject of the work passes to the Client at the moment when the Client confirms the handover protocol by signing and pays the agreed purchase price.
- 3.8. The Contractor is a VAT payer.

4. PERFORMANCE OF THE WORK

- 4.1 The Contractor is obliged to perform the work at his own expense and risk and is bound by the Client's instructions. The Contractor proceeds with due care and is entitled to notify the Client in writing, especially if the instruction is inappropriate or does not fulfil the purpose of the contract. In the event of inappropriate instructions, of which the Contractor shall notify the Client, then the Contractor shall not be liable for any defects and the Contractor is entitled to withdraw from the Contract if the Client's instructions could lead to the work not serving the agreed or usual purpose. Other equipment is handed over according to the conditions agreed in the Work Contract.



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- 4.2. The Client is entitled to check whether the Contractor performs the work in accordance with the Work Contract and applicable regulations. If the Client supplies certain components for the Contractor, these must also meet the required properties by their nature and technical parameters. In the case of unsuitable components, the Contractor shall immediately notify the Client of this fact, and if the Client continues to insist on their use, the Contractor shall not be liable for the damage caused and may withdraw from the Work Contract.
- 4.3. If special tools or equipment are required for assembly for routine and extraordinary maintenance or repairs of the work, the Contractor is obliged to notify the Client of this fact.
- 4.4. The Client is obliged to pay the costs associated with the inspection of the subject of the work, which is required by state or other relevant entities in accordance with applicable legislation.
- 4.5. A written handover protocol will be drawn up for the proper handover of the subject of the work and other parts.
- 4.6. The Client's staff training will be performed according to the conditions agreed in the Work Contract.

5. DOCUMENTS FOR THE SUBJECT OF WORK

- 5.1. Together with the subject of the work, the Contractor is obliged to deliver to the Client the documents (documentation) which are explicitly stated in the Work Contract.

6. INDUSTRIAL OR INTELLECTUAL PROPERTY RIGHTS

- 6.1. In the case of used rights from industrial or intellectual property for the subject of the work, these facts are adjusted in the Work Contract so that the Client uses the subject of the work in accordance with applicable legislation.

7. WARRANTY FOR THE QUALITY OF THE WORK

- 7.1. The Contractor provides the Client with a warranty for the work performed and handed over according to the agreement of the contracting parties. The work must be used in accordance with its purpose and the customer is obliged to comply with all principles and obligations for the use of the subject of the work. The work will be suitable for use for the usual purpose.
- 7.2. The work is defective if it does not comply with the Work Contract. The warranty period, if agreed, begins to run upon delivery of the work.

8. LIABILITY FOR THE WORK DEFECTS, COMPLAINTS

- 8.1. If the Client finds any defects or unfinished work on the delivered work, and unless otherwise agreed in the Contract, he shall write down these defects and immediately notify the Contractor in writing. The notification is sent to the registered office address or to the data box of the Contractor or the Client. Furthermore, the Client shall state when the defect was detected (date), mark the person who detected the defect and describe the defect in detail.
- 8.2. For the avoidance of doubt, the parties expressly excluded the application of the provisions of § 1921, 1965, 2013, 2104, 2111 and 2012 of the Civil Code on the relationship established by the Purchase Agreement.
- 8.3. The Contractor, upon receiving the written notice of defects, will immediately confirm this fact to the Client (within 48 hours, except on weekends). The Contractor can send the confirmation via electronic media.
- 8.4. The Contractor undertakes to propose, within the period specified in the Work Contract, the method of a specific procedure for the elimination of defects, taking into account the technological deadlines, and to propose a date for the implementation of the specified measures leading to remediation. In justified cases, the Contractor may agree with the Client on longer deadlines for the elimination of defects. The usual time to start the repair is within three working days of reporting, more is regulated by the service contract.



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9. WITHDRAWAL FROM THE WORK CONTRACT

- 9.1.** The Contracting Parties are entitled to withdraw from this contract in accordance with and under the conditions set out in this contract and / or in the provisions of § 2002 et seq. of the Civil Code.
- 9.2.** Withdrawal from the Contract must be made in writing and must be demonstrably delivered to the other Contracting Party. In the event of withdrawal from the Contract, the Contract shall terminate on the day of delivery of the written withdrawal to the other Contracting Party. Withdrawal from the contract takes effect in the sense of § 2005 of the Civil Code.
- 9.3.** In the event of withdrawal from the contract by the Client, the Client undertakes to reimburse all costs incurred for the subject of the work, which the Contractor has submitted to the Client. The Client undertakes to pay the amount calculated in this way within 10 days from the written submission (delivery) of the stated financial amount. The contractual penalty for withdrawal from the Work Contract by the Client, unless otherwise agreed in the Work Contract, amounts to 5% of the agreed price for the work.

10. FINAL PROVISIONS

- 10.1.** As a part of the handover of the work, the Contractor undertakes to train the Client's representative in the handling of the subject of the work to such an extent that the authorized employees are qualified to handle the subject of the work independently.
- 10.2.** The appendices are part of the concluded Work Contract. The Work Contract may be amended or supplemented with the consent of the contract parties by means of numbered written amendments signed by the parties.
- 10.3.** The World Health Organization (WHO) has declared the Covid-19 pandemic a global health emergency. There is now a supply chain disruption caused by the direct and indirect effects of the Covid-19 pandemic, one of which is the global shortage of "components". Although the exact impact is not currently known, it is clear that delivery times for our products may be affected. To the extent that any confirmed delivery dates of our products are affected, the Contractor shall not incur any additional costs, in addition to normal commercial practice, to avoid the effects on deliveries and shall not assume any responsibility for such delays or any full or partial non-compliance with the duties of the Contractor according to this contract (Work Contract) or for any loss, damage, claims or demands of any nature (whether in the event of alleged delays or otherwise) if such delay or non-compliance is caused directly or indirectly by any event, condition, effect or other cause, foreseeable or not, resulting from or in connection with the outbreak of the Covid-19 pandemic or lack of work components in any part of our supply chain.
- 10.4.** The Client undertakes not to provide or disclose any information that he would obtain in connection with the negotiation of the Work Contract to third parties.