

GENERAL TERMS AND CONDITIONS OF SALE

STP fittings s.r.o.

I. SUBJECT MATTER OF SALE AND ORDERING METHODS

1. The subject matter of sale is all products and goods offered by STP fittings s.r.o. (hereinafter referred to as the Supplier) from the range of plastic fittings, cast iron fittings, pool technology, plastic piping systems and their accessories. A purchase order can be placed in writing by post, email or fax to the address of our company. Telephone and verbal orders are only recommended to a limited extent. Unfortunately, this ordering method causes the most misunderstandings, thus we prefer confirmation by e-mail or by post. Each order should indicate the order number, delivery address, name, type or verbal description of the product, and the required quantity.
2. Purchase orders should include:
 - the full name of the company or the buyer, an address including a post code, the responsible person, a telephone number and a company ID number and a VAT registration number
 - the full address of the payer of the goods (if different to the buyer) and the number of the bank account from which the ordered goods will be paid
 - the full address of the place of delivery and the name of a contact person for receiving the goods, including a telephone number (if goods are to be delivered to a third party, e.g. on a construction site)

We recommend that you indicate the name and surname of a representative of the receiving company, (including the number of his/her national identity card or another identification document)

- the name and type of goods
- the quantity of goods
- the required delivery date

II. ORDER CONFIRMATION AND ENTRY INTO A PURCHASE AGREEMENT

1. Based on the Supplier's current offer, the customer shall fill in a binding order and submit it to the Supplier so that the Supplier receives it in good time before the required delivery date. A purchase order (PO), i.e. a proposal made by the customer, shall be binding for a period of 10 (ten) days of receipt by the Supplier, unless the parties agree otherwise. In each individual case, goods shall be sold and purchased under separate sale and purchase agreements (SPA) in one of the following ways:
 - a) Based on confirmation of a written order from the customer, where the parties also deem a fax order to be acceptable. An SPA is created upon the return of an unconditionally confirmed order to the customer. Order confirmation with reservations is considered a new proposal. The Supplier will confirm receipt of a PO to the customer in writing (by fax or e-mail) or by phone within 48 hours of receipt. In such a case, unless the customer submits any objections in writing to the Supplier within 24 hours, by fax or e-mail, it shall be understood that the customer agrees to the items, quantity, prices and deadlines specified by the supplier.
 - b) In the case of an unambiguous order, unless written confirmation is explicitly required, the goods will be shipped without written confirmation of the order. In such a case, the purchase and sale process

shall be completed upon acceptance of a delivery of the goods specified in the customer's written PO (including fax orders). Later complaints regarding the ordered items or prices will not be taken into consideration.

2. In justified cases, the Supplier will confirm a received PO with a separate SPA, where the PO provides the basis for concluding an SPA, and the SPA shall not be valid until signed by both parties. A draft agreement issued by the seller shall be valid for 30 days from the date of issue, unless the parties agree otherwise.

III. PRICE AND PRICE GUARANTEE

A price list is attached to catalogues in printed or electronic form. We will send it to you at your request, or you can visit our website <http://www.stp-fittings.cz> for more details. Prices are indicated in CZK without VAT. Prices are subject to change in connection with price changes of suppliers, or as a result of changes in the CZK exchange rate for foreign currencies (USD, EUR) in the case of imports from abroad. Price changes will be communicated to the customer no later than 10 days before they become effective, unless otherwise agreed in writing by the parties.

IV. DELIVERY TERMS AND CONDITIONS, DELIVERY OF GOODS

1. Lead times usually range from 1 day to a maximum of 6 weeks from the order confirmation date (unless the agreement is a direct delivery) depending on the scope, structure and type of purchase order. STP fittings s.r.o. may deliver goods at any time during the lead times specified above. Before delivering the goods, STP fittings s.r.o. usually provides the customer with notice of delivery. The customer is required to accept delivery of the announced goods in a due manner. The consequences of any thwarted deliveries shall be borne in full by the customer. Partial deliveries are possible. The transportation of goods to the place of delivery can be provided by the Supplier STP fittings s.r.o. For an order for fittings exceeding CZK 10,000 without VAT, freight within the Czech Republic shall be paid for by the Supplier, unless agreed otherwise in advance. For a purchase order of up to CZK 10,000 (inclusive) without VAT, freight is paid for or arranged by the customer, unless agreed otherwise in advance.
2. Goods shall be considered delivered:
 - in the case of transport provided by the Supplier, upon receipt of the goods by the customer at the place of delivery
 - in the case of transport provided by the customer, upon handover of the goods to the customer (or a representative) at the Supplier's warehouse
 - if the Supplier arranges for transport by public means, upon handover of the goods to the first carrier, e.g. by container, lorry, or rail and road partial loads
 - in the case of transportation by postal or express services, upon handover of the goods to the postal or express delivery service as the first public forwarder
3. The Supplier will enclose documents with each delivery to allow for inspection by the Customer, in particular delivery notes with standard formalities or documents replacing them, indicating the type, quantity and price, order number of the delivery, packaging details, transportation documents, etc. If generally binding regulations require the Supplier to attach a health and safety certificate or any other evidence, such documents will be supplied together with the goods.
4. The Supplier will deliver the goods in accordance with the Consumer Protection Act and relevant technical, sanitary and other standards. The delivery of goods will correspond to the first level of quality, unless specified otherwise in a given case.
5. If the customer requires special delivery conditions or for the goods to be accompanied by certain instructions or documentation, the customer must ask the supplier provide these when issuing the PO.
6. The risk of damage will pass to the customer upon handover of the goods at the place of delivery (for transportation by the Supplier or collection of the goods by the customer from the Supplier's warehouse) or upon handover to the first carrier for delivery to the destination. If the customer does not take over the

goods within the agreed or specified time limit through no fault of the Supplier, the risk of damage will pass to the customer as of the date on which takeover of goods was expected.

V. PACKAGING, HANDLING, STORAGE, PACKAGING AND WASTE DISPOSAL, RETURN OF GOODS

1. Goods shall be packaged in a standard manner corresponding to the agreed or selected method of delivery to protect the goods from damage and destruction.
2. Handling and storage of goods, as well as packaging and waste disposal, must comply with relevant technical standards and the current regulations and laws of the Czech Republic
3. Goods can be returned in agreement with the Supplier. The goods and packaging must be intact. If the Supplier decides to take back the goods, handling charges at the rate of 4% of the invoice value will be billed to the customer.

The Supplier shall also charge 4% of the logistics costs associated with the delivery of goods in case of transportation by the customer (unless already invoiced, or the transport was not used, for example, due to collection of the goods in person).

4. The Supplier is not obliged to accept returns.
5. Goods can only be returned within 2 months from delivery to the customer, but by the end of the calendar year at the latest. This period will start from the delivery note confirmation date.

VI. LIABILITY FOR DEFECTS AND COMPLAINTS

The Supplier's liability for defects is governed by the provisions of Section 420 et seq. of the Commercial Code and the customer's claims for defects in the goods are governed by Section 436 of the Commercial Code in case of a substantial breach of contract, or by Section 437 of the Commercial Code in case of a minor breach of contract. Claims for defects in the goods must be submitted in writing using a complaint form. In the complaint form, the customer shall describe the defects or how the defects manifest themselves, and shall propose a means of handling the complaint according to the relevant provisions of the Commercial Code. The method of satisfying the complaint is then a matter of mutual agreement, where the replacement of defective goods is preferred. The customer shall submit claims for defects without unnecessary delay after identifying them, and shall do so as follows:

Apparent defects identified immediately upon taking over the goods.

The customer must inspect the delivery upon receipt, particularly by checking for apparent damage and verifying the quantity, and shall confirm these checks on the delivery note.

If the inspection reveals any apparent defects in the goods such as missing or broken pieces, or visible damage, this fact must be notified to the Supplier immediately, but by no later than the end of the next (1) working day, unless specified otherwise herein.

For goods directly delivered by the supplier, visible/apparent defects must be reported immediately upon takeover at the place of delivery. For postal parcels and goods delivered by a courier service, the customer must make a claim for apparent defects within 3 days of receipt. Later complaints in this respect will not be taken into consideration. If the contents of a parcel are visibly damaged or there are any other clear signs of damage to the parcel or its contents, the customer shall not take over the parcel and shall return it to the postal service. A confirmed delivery note is a prerequisite for accepting any later complaints. Claims must always be submitted in writing and must include the specifications of the defective goods, a description of the defect, the purchase order, delivery note or invoice number and date, and the name of the customer's representative responsible for handling the complaint. The customer will be informed about the result of the complaint as soon as possible, within no more than 30 days of receipt.

Claims for **latent defects** must be submitted by the customer during the warranty period.

The Supplier shall not be liable for defects that arise through no fault of the supplier after the risk of damage has passed to the customer, nor for defects caused by improper storage, handling or use, or for defects caused by the buyer or a third party.

The customer is obliged to store defective goods separately from the moment a defect is identified until the goods are personally inspected or taken over by the Supplier on the site.

The Supplier is required to handle every complaint within 30 days of receipt. In a response to the claim, the seller shall indicate, among other things, whether the goods must be returned as provided in Section 438 of the Commercial Code, or whether the seller agrees to disposal of the defective goods.

The costs of transportation of defective goods to the Supplier's warehouse, freight costs of replacement goods, or costs associated with the disposal of defective goods shall only be borne by the Supplier if the claim is acknowledged. Otherwise, the costs shall be borne by the customer.

VII. CANCELLATION OF PURCHASE ORDERS AND SALE AND PURCHASE AGREEMENTS

Purchase orders and sale and purchase agreements that have been agreed upon can only be cancelled by mutual agreement between the Supplier and the customer.

VIII. PAYMENT TERMS AND TRANSFER OF OWNERSHIP

The agreed price will be paid by the customer in one of the following ways if the supplier so chooses:

Payment before the delivery of goods:

- if this method is agreed upon by the parties
 - if the customer's unsound behaviour in making payments (late payment) causes the contractual partner to doubt the customer's solvency
1. Cash payment when upon handover of goods:
 - if this method is agreed upon by the parties
 - if the customer's unsound behaviour in making payments (late payment) causes the contractual partner to doubt the customer's solvency
 2. Cash on postal delivery
 3. Payment after delivery of goods.

The price of the goods, including the price of billed returnable packaging, will be paid in one of the following ways:

- by payment order (transfer order) based on an invoice issued by the seller
- in cash upon delivery of the goods

The right to invoice arises upon delivery of goods as specified in paragraph 1 above. The Supplier will issue an invoice without undue delay once entitled to do so. The invoice will be sent to the customer's billing address and shall be paid within 14 days, unless the parties agree otherwise. This period shall start to run from the invoice date. Payment is deemed to have been made on the date on which the relevant amount is credited to the Supplier's account.

The Supplier may put further deliveries of the goods to the customer on hold, even if an agreement is in place, if the customer is in arrears with payment for a previous delivery of goods. In such a case, the Supplier shall not be in arrears with delivery of the goods under the agreement in place, and shall only be obliged to make the delivery once the customer's debt has been paid. Ownership of goods will pass to the buyer at the time when the agreed price is paid, unless otherwise agreed in a particular case.

IX. FINAL PROVISIONS

Any deviations and additions to the terms and conditions set forth hereunder will be regulated separately. If you do not agree with the above general terms and conditions or if you have any special requirements, they must be indicated in your purchase order or a draft sale and purchase contract. Otherwise, the customer agrees to these GTC



by placing a purchase order for the goods from the relevant catalogues and price lists of STP fittings s.r.o. Likewise, by signing a specific SPA where these GTC are enclosed, the customer warrants that these GTC are binding for the relations established by the given SPA.

The relationships established by this agreement shall be governed by the relevant provisions of the Commercial Code, with consideration given to the adjustments under this agreement and any amendments hereto. Any special arrangements under an individual (other commercial) agreement which includes these conditions shall prevail over adjustments agreed hereunder, and any adjustments hereunder shall prevail over a general regulation stipulated by law, except where special arrangements would be in conflict with a general regulation.