

## **Trading conditions of BONATRANS GROUP a.s. for the sale of products**

### **1. Introductory provisions**

1.1. These Trading Conditions are an integral part of the purchase contracts concluded by BONATRANS GROUP a.s. with its registered office in Bohumín, Revoluční 1234, Postal Code 735 94, Czech Republic, ID No. 27438678, registered in the Commercial Register maintained by the Regional Court in Ostrava, Section B, Insert 3173, as the seller on the one hand, with individual buyers on the other hand, the subject of which are products sold by the Seller. Unless otherwise expressly stated in the purchase contract, it shall be guided by Act No. 89/2012 Coll., the Civil Code, as amended. (hereinafter referred to as the "**Civil Code**").

### **2. Price of products**

- 2.1. The Buyer undertakes to pay the purchase price specified in the purchase contract for the products whose sale is the subject of the purchase contract.
- 2.2. Unless otherwise agreed by the parties, if in the period from the conclusion of the contract until the time of production and delivery of the products there is a change in costs due to a change in the prices of input materials, energy (and other items as may be agreed in each purchase contract) by more than 5% compared to the situation on which the contract was based at the conclusion of the purchase contract, the Seller shall be entitled to adjust the purchase price accordingly. The Seller shall inform the Buyer of the change in the purchase price at least 30 days before delivery of the products.

### **3. Buyer's obligations related to VAT**

- 3.1. Supply to another Member State of the European Union
- 3.1.1. If the Seller does not provide transport of the products, the Buyer is obliged to notify the Seller before the relevant delivery whether the products are intended for immediate transport from the Czech Republic to another Member State of the European Union (hereinafter referred to as "**EU**").
- 3.1.2. The Buyer shall also notify the Seller before the first delivery whether it is registered for value added tax (hereunder referred to as "**VAT**") in the EU Member State in which it is relevant to the terms of the supply.
- 3.1.3. The Buyer shall notify the Seller in writing before the first delivery of its full tax identification number under which it is registered for VAT in that EU Member

State. The Buyer shall immediately inform the Seller in writing if there is any change to this tax identification number.

3.1.4. Furthermore, a Buyer who is registered for VAT in another EU Member State must notify the Seller in writing before the first delivery whether the products supplied are subject to VAT for the Buyer in another EU Member State on the basis of the acquisition of the goods in another EU Member State. Furthermore, the Buyer is obliged to inform the Seller without delay in writing if there is any change in the content of this notification in the case of further deliveries of the products.

3.1.5. In the event that the transport is not provided by the Seller, the Buyer is obliged to prove that the transport is provided by the Seller or by a person authorized by the Seller and that the products have actually been transported from the territory of the Czech Republic to another EU Member State. In order to prove these facts, the Buyer is obliged to submit one of the following documents, providing these facts are evident from them, within 10 days from the date of handing over the products by the Seller for transport, in particular a transport document (e.g. a consignment note) or one of the documents listed below on which the contracting parties agree:

- a written Buyer's declaration that the products have been transported from the Czech Republic to another EU Member State on its behalf and for its account, which shall furthermore contain an unequivocal identification of the products, the carrier(s), the contract(s) of carriage and the place of commencement and termination of the transport of the products;
- a written declaration(s) by the carrier(s) that the products have been transported from the Czech Republic to another EU Member State on behalf of and for the account of the Buyer, which shall further contain unequivocal identification of the products, the Buyer, the contract of carriage and the place of commencement and termination of the transport of the products;
- the contract(s) of carriage between the Buyer and the carrier(s);
- invoice(s) from the carrier(s) for the transport service; or
- other document(s) approved by the Seller.

### 3.2. Export of products outside the EU

3.2.1. In the event that transport is not provided by the Seller, the Buyer is obliged - before the relevant delivery is made - to provide the Seller with a written declaration that the Buyer does not have its registered office, production plant within the meaning of VAT regulations or place of business in the Czech Republic, to provide a proof that the transport is to be provided by the Seller and

that the products will be transported outside the EU. In order to prove the above-mentioned facts, the Buyer is obliged to submit one of the following documents, providing that these facts are evident from them, no later than 10 days from the date of handing over the products by the Seller for transport, in particular a transport document (e.g. a consignment note) or one of the documents listed below by mutual agreement of the contracting parties:

- a written Buyer's declaration that the products have been transported on its behalf and on its account from the Czech Republic outside the EU, which will also include an unequivocal identification of the products, the carrier(s), the contract(s) of carriage and the place of commencement and termination of the transport of the products;
- a written declaration by the carrier(s) that the products have been transported from the Czech Republic outside the EU on behalf of the Buyer and for its account, which shall furthermore contain an unequivocal identification of the products, the Buyer, the contract of carriage and the place of commencement and termination of the transport of the products;
- the contract(s) of carriage between the Buyer and the carrier(s);
- the invoice(s) from the carrier(s) for the transport service;
- other document(s) approved by the Seller.

### 3.3. Common provisions

- 3.3.1. Unless the conditions for VAT exemption of the relevant delivery are met according to the relevant legal regulation in force in the Czech Republic, the relevant VAT rate shall be added to the purchase price for the products; the Buyer shall pay this VAT together with the purchase price.
- 3.3.2. If the Buyer fails to deliver the documents agreed in this article to the Seller within the specified period, VAT shall be added to the purchase price in the amount according to the legal regulation in force in the Czech Republic; the Buyer shall pay this VAT together with the purchase price.
- 3.3.3. The Buyer shall also pay to the Seller any related penalties which the Seller shall be obliged to pay additionally by reason that the Buyer has provided the Seller with incorrect information under this article or if the Buyer otherwise breaches its obligations under this article. The Buyer shall pay the above-mentioned penalties within 15 days of receipt of the Seller's notice to pay them.

## 4. Payment conditions

#### **BONATRANS GROUP a. s.**

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Společnost je zapsána u Krajského soudu v Ostravě v oddílu B, vložce číslo 3173 • IČ: 27438678 • DIČ: CZ27438678

- 4.1. The Buyer is obliged to pay the purchase price on the basis of a tax document (an invoice) issued by the Seller after delivery of the product, which is the subject of the purchase contract, within 30 days from the date of the issue of the invoice to the Seller's bank account specified in the contract. This account may be changed only in a form of an amendment to the contract.
- 4.2. The date on which the funds corresponding to the purchase price are credited to the Seller's account is considered to be the date of fulfillment of the Buyer's obligation to pay the Seller the purchase price.

## **5. Delivery and transfer of the ownership right to the products**

- 5.1. The Seller is obliged to deliver the products which are the subject of the purchase contract at the time specified in the purchase contract. The Seller is entitled to early performance.
- 5.2. The Seller is obliged to deliver the products in the usual packaging which avoids their damage during transport. The Buyer is obliged to inform the Seller of any damage to the products during transportation immediately upon arrival of the products at the Buyer's disposal.
- 5.3. The Seller shall fulfill its obligation to deliver the products which are the subject of the purchase contract by handing them over for transport to the carrier designated and agreed by the Buyer at the place specified in the purchase contract (place of delivery). If the place of delivery is not specified in the purchase contract, the place of delivery shall be deemed to be the Seller's place of business. The Buyer is obliged to arrange the loading and transportation of the products from the place of delivery at its own expense and to notify the Seller in due time of the name of the carrier.
- 5.4. The Seller shall fulfill its obligation to deliver the products which are the subject of the purchase contract, if the purchase contract specifies the Seller's obligation to deliver the products to a specific place in the country of import (the import place), by placing them at the disposal of the Buyer at the agreed import place. In such a case, the buyer is obliged to take over the products at the place of import and to arrange their unloading.
- 5.5. The Seller shall be liable for all expenses up to the moment of the takeover of the products, except for the expenses pursuant to Art. 5.1 of these Trading Conditions.
- 5.6. The Seller shall not be obliged to deliver the products if the Buyer has financial obligations to the Seller that are overdue or if the Buyer's performance of the purchase contract is threatened. In such a case, the delivery period shall be extended accordingly.
- 5.7. The parties are obliged to confirm delivery and acceptance of the products in a writing form to each other.

- 5.8. The ownership right to the delivered products shall not pass to the Buyer until the purchase price has been paid in full. Until the purchase price is paid in full, the Buyer is not entitled to transfer the ownership right of the product to a third party or to establish a right to it that would make it more difficult for the Seller to exercise his ownership right.
- 5.9. The risk of damage to the products shall pass to the Buyer at the moment of handing over the products for transport pursuant to Art. 5.3 of these Trading Conditions or at the moment of delivery of the products to the place of import pursuant to Art. 5.4 of these Trading Conditions.

## **6. Buyer's rights and obligations**

- 6.1. The Buyer shall, at its own risk and expense, ensure an import license or other official permits, arrange all customs formalities necessary for the import of the products and pay customs duties, taxes, fees and other expenses related to import customs formalities.
- 6.2. The Buyer shall not be entitled to assign any of its accounts receivable under the purchase contract, even in part, to a third party without the prior written consent of the Seller.
- 6.3. The Buyer undertakes not to supply the products to any entities established in the Russian Federation or Belarus or to entities registered in these countries, nor to allow the products to be transported to the territory of the Russian Federation or Belarus. The Buyer further agrees to comply with all applicable international sanctions, embargoes and other restrictions that apply to trade in the goods or services associated with the purchase contract. Violation of this provision will be considered a substantial breach of the purchase contract.

## **7. Quantity, quality and design of the products**

- 7.1. The products shall be delivered in the quantity, quality and design agreed in the purchase contract.
- 7.2. Proof of the quality of the product is provided by an inspection certificate for the product.

The inspection certificate shall always be supplied as a single document for the entire dispatch batch.

## **8. Liability for defects, warranty**

- 8.1. A defect shall mean a non-conformity of the delivered product with the quality or design specified in Art. 7.1

8.2. Unless otherwise specified in the purchase contract, the Seller shall provide a warranty for the products which are subject of the purchase contract for a period of 60 months, unless otherwise specified below, that shall commence on the date of delivery of the product to the Buyer and, if the date of manufacture is marked on the product, then on the first day of the month following the month marked on the product. In the case of products to be used as components of new vehicles, the above-mentioned warranty period shall commence from the time of delivery of the new vehicles to the final buyer, but the warranty period shall expire not later than 66 months from the date of delivery of the product to the Buyer. The warranty of quality means that the product will retain the characteristics specified in Art. 7.1. during the warranty period, taking into account normal wear and tear. The warranty of quality covers exclusively those defects which were occurred during the manufacture of the product and which wasn't be detected during the test at the factory, if such the test was carried out.

8.3. The warranty of quality of the surface treatment of products or their parts coated with the BONACOAT® coating systems is provided for a period of 60 months (hereinafter referred to as the "warranty for the BONACOAT® coating systems"). The warranty of quality of the surface treatment of products coated with other coating systems is provided for a period of 24 months. The warranty period shall commence on the date of delivery of the product and, if the date of manufacture is marked on the product, on the first day of the month following the month marked on the product. The last sentence of Art. 8.2 shall apply analogically.

The warranty for the BONACOAT® coating systems means that the coating system shall preserve the agreed protection class according to EN 13261 during the warranty period.

The warranty for the BONACOAT® coating systems does not apply to the wheel-sets and their components:

- operated under other than agreed operating conditions, and if not agreed, then under normal operating conditions;
- which has come into contact with sea water;
- with defects caused by an external extraordinary events;

The condition for the provision of the warranty on the BONACOAT® coating systems is regular inspections and maintenance of the coating system carried out by the Buyer or end customer, at least once a year. The Buyer or a third party shall draw up a record of each inspection carried out, including photographic documentation of the condition of the coating. In the event of any damage to the coating, the Buyer or third party shall, promptly after the inspection, repair the defects in accordance with the manuals or the instructions of the Seller or the coating manufacturer and make a record of the repair including photographic documentation of the condition before and



after the repair. In case of exercising the right of liability for defects, the Buyer is obliged to attach the records of all periodic inspections carried out, including photographic documentation, to the complaint.

8.4. The Seller's liability for defects (which also means the Buyer's rights under the warranty of quality, including the warranty for the BONACOAT® coating systems) does not arise if these defects occurred after the risk of damage to the products has passed to the Buyer as a result of events that were not caused by the Seller or by persons with whose help the Seller fulfilled his obligation (in particular, transportation and handling), as well as in the case of defects caused by normal wear and tear of the product or its improper storage, operation, insufficient maintenance or operation in violation of the technical documentation, instructions for use, Seller's instructions, non-compliance with safety regulations or relevant generally applicable legislation, carrying out interventions, changes or repairs on the product without the consent of the Seller, non-compliance with the Rules for handling products of BONATRANS GROUP a. s. or using non-original spare parts (i.e. parts not approved by the Seller). The Seller shall also not be liable for defects in surface treatment caused by damage during handling, storage or operation. The warranty of quality of the primer become null and void if the top coat is not applied within 3 months of delivery of the products. Furthermore, the Seller shall not be liable for defects in the surface treatment if the Buyer has not fulfilled its obligation according to Art. 13.6 and also if the Buyer or a third party has mounted parts (gearbox, wheels, etc.) on the axle by cooling the axle (cryogenic mounting) or heating these parts (hot mounting) without this being agreed in the purchase contract.

The Seller's liability for defects shall also cease in the case of a product which has been subjected to: welding; overlay welding; laser treatment; heating by gas torch, plasma treatment, high-frequency currents or by another method; metallization; coating by electrolytic or chemical methods.

The Seller's liability for defects shall also cease if the buyer or a third party has used electromagnetic or permanent magnet devices in the handling of the product, in particular in the loading, unloading and reloading of the product.

The Seller is not responsible for corrosion and coating defects on wheel-sets for which the treatment of the overhangs of the wheel hub against the axle seat with a means other than a protective wax-based coating has been contractually agreed, or if this treatment was not agreed at all.

8.5. The Buyer is obliged to notify the Seller of the exercise of its right under liability for defects within 30 days of the date on which he discovered the defect or should have discovered it with the exercise of professional care.

8.6. If the Buyer discovers defects in the delivered product, it shall draw up a defect report containing at least the following information:

- identification data of the Buyer (business name, address, registration number, telephone number, e-mail, surname, name, job position of contact person);
  - the specification of the products;
  - the number of the purchase contract and the date of its conclusion,
  - the place where the product is located,
  - the date of delivery,
  - the date when the defect has been discovered,
  - a specific description of the defect supported by documentation,
  - other facts relevant to the assessment of the complaint.
- 8.7. The defect report must be sent to the Seller in writing, either personally or via a postal license holder, by courier or electronically to the address specified in the purchase contract.
- 8.8. If the Seller is responsible for the claimed defect, the Seller is, among others, obliged to provide the Buyer with a proposal for resolving the complaint, i.e. the method of eliminating the defect, within 14 days from the delivery of the defect report. The Seller is entitled to inspect the product at the place where it is located within the specified period in order to verify the defect. In the event that the defect cannot be verified within this period, in particular because an expert assessment is required or because the product is located outside the territory of the Czech Republic or the Slovak Republic, the Seller is obliged to inform the Buyer of these facts within this period and to indicate the estimated time required for the assessment of the complaint.
- 8.9. If the Seller is responsible for the claimed defect, it is obliged to remedy it by repairing the product after the examination, unless the Seller decides otherwise. In the case of a defect which is irremovable or for which the product is unusable for the agreed or usual purpose even after repair, or as a result of which the useful life of such product is shortened, the Seller is obliged to replace the defective product with a faultless product. Prior to such replacement, the Seller is entitled to request an examination of quality of the product in question in the presence of the Buyer. In the event that the examination of the product proves that the product is defective and that the defects in the product were actually caused by its manufacture, the Seller shall be definitively obliged to replace the defective product with a faultless product. In the event that the Seller and the Buyer disagree on the result of the examination, the dispute between the Parties shall be decided by an expert appointed in the purchase contract or by agreement of the contracting parties. In the event that this expert assessment determines that the Seller is responsible for the defects in the product, the Seller shall be obliged to replace the defective product with a faultless product and shall bear the costs of the expert assessment. Otherwise, the costs of the expert assessment are to be paid by the Buyer.



8.10. Any defects in the coating of the product are considered as minor defects according to EN 50126 and therefore do not prevent the rail vehicle from being operated in normal operation. Therefore, the Seller is only obliged to repair the coating defects when the rail vehicle is shut down for a reason other than a coating defect and only at a time when weather conditions are suitable for repairing the coating. This is without prejudice to the obligation of the Buyer or the end customer to carry out periodic inspection and maintenance of the coating system pursuant to Art. 8.3.

## 9. Responsibility

9.1. The contracting parties agree that the Seller shall not be liable to the Buyer for any consequential and/or indirect damages (loss). Consequential and indirect damages include, but are not limited to, loss of profits, loss of revenue, loss from interruption or cessation of production and downtime, loss of business opportunities, damages and penalties payable to Buyer's purchasers and other customers, damage to reputation, costs of extending or re-securing financing or other similar losses.

9.2. The Seller's total liability for damages is limited to a maximum of 5% of the purchase price of the products whose sale is the subject of the purchase contract per damage event and a maximum of 10% of the specified purchase price in total. Any contractual penalties or sanctions that may be applied in connection with the same breach shall be credited against the damages. The limitation of liability agreed in this clause shall always prevail over any other provision contained in the purchase contract or in any other document that is inconsistent with this clause of Art. 9.2 of these Trading Conditions.

## 10. Withdrawal from the contract

10.1. The Seller is entitled to withdraw from the contract if:

- the Buyer is in default of payment of the purchase price of the delivered product for more than 30 calendar days;
- the Buyer fails to fulfill its obligations under Art. 5.3 or 5.4 of the Trading Conditions without due cause;
- the Buyer breaches the agreed retention of title by transferring the product to a third party before the purchase price is fully paid;
- the Buyer becomes bankrupt, insolvent or is in imminent danger of becoming so;
- the Buyer repeatedly violates other provisions of these Trading Conditions or the purchase contract. Repeated breach means a situation in which a breach of the Trading Conditions or the purchase contract has already occurred and the Buyer has been notified of the defective condition, or if the defective condition has not

been remedied even after the other contracting party has been notified and a reasonable period of time has been specified.

10.2. The Buyer is entitled to withdraw from the contract if:

- the Seller is in delay with delivering the products for more than 60 days;
- the Seller repeatedly violates other provisions of these Trading Conditions and conditions or the purchase contract. Repeated breach means a situation in which a breach of the Trading Conditions or the purchase contract has already occurred and the Seller has been notified of the defective condition, or if the defective condition has not been remedied even after the other contracting party has been notified and a reasonable period of time has been specified.

## 11. Protection of intellectual property

11.1. All information provided by the Seller to the Buyer shall be considered confidential, trade secret and intellectual property of the Seller.

11.2. The Seller owns or exercises all intellectual property rights existing or arising in connection with any data, documents, drawing documentation, calculations, reports, specifications, manuals or information provided or to be provided by the Seller to the Buyer (hereunder referred to as the "**Documentation**") in connection with the purchase contract and the Buyer shall not acquire or be entitled to exercise any rights in such intellectual property, whether existing at the time of the conclusion of the purchase contract or created in the future. For the purposes of this article, intellectual property rights include copyright and related rights, including rights in software, rights in patents, trademarks, rights in industrial or utility designs (whether registered or unregistered), rights in trade names and other designations, rights in know-how and all other information, rights in domain names, goodwill and reputation, and all other rights and forms of protection of any nature whatsoever relating to the foregoing or having a similar meaning anywhere in the world and all rights arising from licenses or consents to exercise the foregoing intellectual property rights.

11.3. In particular, the Buyer shall have no right to copy, reproduce, add to or modify the documentation or any part thereof, disclose it to third parties or use it for any purpose other than as provided for in the purchase contract. This also means that the Buyer has no right to order the production of any product on the basis of the documentation or any its part for yourself or for another person. The Buyer also has no right to use the documentation (with the exception of the name or designation of the documentation) in tenders, for inquiries or for ordering a product from a third party. The documentation (in particular, but not exclusively, the drawing documentation) must be returned to the Seller upon termination of the rights and obligations under the purchase contract.

11.4. The Buyer assures the Seller for the event that the Buyer provides the Seller with any third-party information, document or drawing documentation (or other intellectual property rights that the third party is entitled to exercise), that such third party has transferred to the Buyer the right of ownership or license to the intellectual property rights sufficient for the Seller's performance of the purchase contract. The Buyer declares and warrants to the Seller that the receipt, possession or use of any information, document or drawing documentation does not infringe or violate the rights of any third party. The Buyer promises to indemnify the Seller against any loss suffered by the Seller in connection with a claim brought against it by a third party for infringement of that party's intellectual property rights.

## **12. Penalties**

- 12.1. In the event that the Buyer is in default of the obligation to pay the purchase price, he is obliged to pay the Seller a contractual penalty of 0.05% per day of the amount due, up to 15% of the purchase price specified in the purchase contract.
- 12.2. In the event that the Buyer breaches its obligation under Art. 5.3 or 5.4 of these Trading Conditions, it is obliged to pay the Seller a contractual penalty of 20% of the purchase price of the non-accepted products.
- 12.3. In the event that the Buyer breaches its obligation under Art. 5.8 of these Trading Conditions, the Buyer shall pay the Seller a contractual penalty of 20% of the purchase price of the product in question.
- 12.4. In the event that the Seller is in default of its obligation to deliver the product under the purchase contract, the Seller shall pay the Buyer a contractual penalty of 0.05% of the purchase price of the products with the delivery of which the Seller is in delay for each day of its default, up to a maximum of 5% of the purchase price of the products with the delivery of which the Seller is in delay.
- 12.5. In the event of a breach of the obligation stipulated in Art. 11 of these Trading Conditions, the Buyer is obliged to pay a contractual penalty of EUR100,000 for each individual case.
- 12.6. Each contracting party, in the event of a breach of any other obligation imposed on it by the purchase contract or these Trading Conditions, shall pay a contractual penalty of EUR350 for each individual case.
- 12.7. Payment of the contractual penalty by the Buyer shall in no way affect the right to compensation for damages in the full amount thereof.

## **13. Deliveries of components and materials provided by the Buyer**

- 13.1. If it is agreed that the Buyer will supply the Seller with certain components and/or material for the manufacture of the products whose sale is the subject of the purchase contract, the Buyer is obliged to deliver the agreed components and material for

installation into the products to the Seller at the Seller's address in the agreed design and quantity, no later than in the bellow-specified advance of the date of dispatch of the products, the sale of which is the subject of the purchase contract, to the Buyer, or before the agreed date of acceptance of the products at the Seller's address.

Component/material	Delivery date (days)
Brake disc, wheel damping ring (wheel-set final product)	72
Drive including individual parts (gearbox, electric motor, clutch, sprocket, tooth wheel)	62
Bearing systems incl. individual parts, lubricants	55
Brake disc for the installation onto the axle (wheel-set final product)	55
Brake disc, wheel damping ring (wheel final product)	50
Stands, boxes, other packaging material	45

- 13.2. The Buyer is obliged to deliver the agreed components and materials to the Seller in the agreed quality and in accordance with the standards, and if there are no such standards, then in the quality necessary to achieve the agreed quality of the products that are the subject of the purchase contract. Furthermore, the Seller is obliged to pack and secure the components and materials for transport in a manner agreed or sufficient to protect them for the agreed method of transport. The packaging and the pallet on which the components and materials are placed must allow for safe handling.
- 13.3. Prior to delivery of the components/materials to the Seller, the Buyer shall send the delivery note and the inspection certificate (3.1 or 3.2 according to EN 10204) to [delivery.notes@ghh-bonatrans.com](mailto:delivery.notes@ghh-bonatrans.com) and [quality.certificate@ghh-bonatrans.com](mailto:quality.certificate@ghh-bonatrans.com) or arrange for both documents to be delivered together with the components/materials otherwise. The delivery note must contain the internal order number of the Seller.
- 13.4. In the event of late delivery of components or materials, as well as in the event that their quality does not comply with Art. 13.2 of these Trading Conditions (including the lack of an inspection certificate) or in the event that the components or materials are not delivered in the agreed design and quantity, the Seller shall be entitled to postpone the order execution date (i.e. production and delivery of the products that are the subject of the purchase contract) to the next available date with regards to the Seller's production capabilities and plans. In this case, the Seller shall not be liable for the related delay in delivery of the products to the Buyer. This is without prejudice to the Seller's right to compensation for damages.
- 13.5. In the event that the quality of the delivered components/materials does not comply with Art. 13.2. of these Trading Conditions (including the missing inspection certificate), their design is inconsistent with the agreed design, or they are for any other reason unusable for installation into the products that are the subject of the purchase contract, the Seller is entitled to complain to the Buyer about these

inadequacies. The Buyer is obliged to immediately arrange for remedy at his own expense. The provisions of this article also apply to the packaging. If the components/materials are delivered in damaged packaging, packed or provided for transport in violation of Art. 13.2 and/or not stacked on a pallet (unless another method of stowage has been agreed upon in advance), the Seller shall be entitled to accept such delivery in whole, in part or to refuse the whole delivery. The Seller shall not be liable for delays caused by the above-mentioned deficiencies.

- 13.6. If the components and/or material supplied by the Buyer are preserved for transport and/or storage, the Buyer shall inform the Seller of the exact type, trade name and manufacturer of the preserving agent used at the latest prior to arranging such delivery and shall also provide the Seller with a safety data sheet and a technical data sheet for this preserving agent. The same applies to the surface treatment (in particular the coating) of these components and/or materials and their packaging (except for wooden pallets and wood with a legible international heat treatment marking).

#### **14. Applicable law, dispute resolution**

- 14.1. The purchase contract and the rights and obligations arising from it are governed by the law of the Czech Republic, in particular the Civil Code. Neither conflict rules nor norms of private international law shall apply.
- 14.2. The parties are obliged to resolve disputes arising from the purchase contract preferably by mutual agreement. If such a dispute resolution cannot be reached, all disputes arising out of or relating to the breach, cancellation or nullity of the purchase contract shall be definitively settled in accordance with the Rules of Arbitration and Conciliation of the International Court of Arbitration of the Austrian Chamber of Commerce (Vienna Rules) by three arbitrators appointed in accordance with its rules. All hearings, including documentation referred to in such hearings, shall be conducted in English.

#### **15. Final provisions**

- 15.1. The purchase contract and these Trading Conditions may only be amended or supplemented in a writing form. Electronic communication (e-mail, fax) is not considered to be a writing form.
- 15.2. If, for any reason, any provision of the purchase contract is held by a court to be invalid, ineffective or unenforceable, such provision shall not affect the validity and effectiveness of the remaining provisions of the purchase contract; in such event, the contracting parties agree to enter into negotiations promptly to amend such provision so that it becomes valid, effective and enforceable while maximally preserving the original intent of the contracting parties with respect to the provision regulating the subject matter in question.

15.3. In the event of any conflict, the provisions contained in the purchase contract shall prevail over these Trading Conditions.