

General terms and conditions for ČeMeBo s.r.o.

1. Obligation of General Terms and Conditions

1.1. The subject of General terms and conditions for the ČeMeBo s.r.o. (hereinafter "terms" or "GTC") is to define general conditions of the sales contracts for delivery of printed circuit boards (hereinafter called "merchandise").

1.2. Every sales contract that shall be concluded by the ČeMeBo s.r.o. as a seller (hereinafter "seller") with any trade partner or any other customer as a buyer (hereinafter "buyer") shall be subject of these GTC, if not expressly stated otherwise in written.

2. Sales Contract Conclusion

2.1. The detailed conclusion terms and conditions of each sales contract as well as substantial terms and conditions under which the merchandise shall be sold to the buyer may be subject of special agreement. If there is not such agreement, the wording of these terms shall be decisive.

2.2. The sales contract shall be concluded pursuant to the written or telephone purchase order made by the buyer. The buyer's purchase order must include at least following:

- Buyer's business name, registered office or place of business;
- Buyer's Identification Number (Tax Registration Number provided the buyer is registered as VAT payer);
- type of merchandise defining the subject of purchase order unambiguously;
- quantity of required pieces of merchandise;
- place and date of delivery;
- method of transportation and purchase price payment conditions;
- provided the purchase order is in written, the legible signature of Buyer's authorized representative;

2.3. Pursuant to the buyer's purchase order that meets aforementioned conditions, the seller issues the purchase order confirmation that the seller shall hand over personally or send by fax to the buyer, hereby the seller confirms type of merchandise, purchase price, quantity of merchandise that the seller is obliged to deliver to buyer, place and date of delivery, method of transportation and purchase price payment conditions. The supplier declares his right to increase the amount of merchandise supplied by 5 % of the volume ordered at the most, based on technical demandingness of production. The buyer is entitled to submit a modification purchase order proposal or to cancel the purchase order within 24 hours after receiving the purchase order confirmation. Unless he does so within stated period, the sales contract between the seller and the buyer is concluded, as stated in the purchase order confirmation. If the buyer has submitted the purchase order modification proposal, the seller issues the purchase order confirmation again confirming type of merchandise, purchase price, quantity of merchandise that the seller is obliged to deliver to buyer, place and date of delivery, method of transport and purchase price payment conditions. The purchase contract between the parties is concluded as stated in the latter purchase order confirmation in the moment when the buyer receives the purchase order confirmation. In doubts it is presumed that the buyer received the purchase order confirmation in the 48th hour following the moment it was sent by the seller.

2.4. The buyer may not use the technical specifications handed in to the buyer within the contract negotiations and in purpose of the sales contract conclusion for any other purpose. Being requested, the buyer shall be obliged to hand all such specification back.

3. Rights and Obligations of Parties to the Contract

3.1. The seller shall be obliged to deliver the buyer the merchandise and transfer the title to this merchandise, the buyer shall be obliged to pay the purchase price.

3.2. The seller shall be obliged to deliver the merchandise, hand over documents necessary to acceptance and use of merchandise and enable the buyer the acquirement of ownership rights to the merchandise.

3.3. The seller shall be obliged to pay the purchase price or the advance payment in agreed amount and currency and accept the delivered merchandise in accordance with the contract.

4. Place, Method and Time of Merchandise Delivery, Retention of Title

4.1. The place of delivery shall be the seller's premises in Blansko, Poříčí 2396/42, if not expressly agreed otherwise.

4.2. The ordered merchandise is to be accepted solely by the buyer personally or the person authorized by the buyer, or, if applicable, the buyer's assignee or the buyer's carrier, and he is obliged to confirm the acceptance of merchandise in written. These persons are obliged to prove the seller their identity (by identification card or otherwise) and the authorization to accept the merchandise (by extract of commercial register, power of attorney, written contract of transport or otherwise). A copy of this document shall be filed by the seller. If the merchandise is to be accepted by the carrier, the buyer shall send the seller confirmed certificate of delivery within 3 days proving the buyer's acceptance of the merchandise.

4.3. If the buyer cancels due order before the merchandise was delivered, the seller is entitled to charge a cancellation fee in amount of 50% ordered merchandise price to the buyer. The seller shall reserve right not to comply the quantity and time schedule when the order exceeds the seller's capacity of production or transportation. The seller obliged to notify of such a situation the buyer in reasonable period in advance. If the date of delivery was agreed in the purchase order and the seller is in delay, the buyer is entitled to determine an additional period of performance that may not be shorter than 7 days. If the seller does not perform his obligation within additional period and the written contract was concluded or the seller confirmed that he accepts the buyer's purchase order, the buyer is entitled to withdraw from the contract. If the buyer's delay with the merchandise acceptance is longer than 2 weeks, the seller is entitled to cancel buyer's purchase order.

4.4. The seller is also entitled to refuse a purchase order from a buyer who has already been in delay with the payment to the seller or who acts contradictory to the provisions of other agreements or contracts between the seller and the buyer.

4.5. If not agreed expressly otherwise, it shall be presumed that the title passes to buyer when the purchase price is paid in full.

5. Purchase Price and the Payment Conditions

5.1. The purchase price shall be determined according to the seller's price list valid when the merchandise is being ordered; if the parties do not agree in a particular case otherwise. The purchase price shall be paid based on the invoice issued by seller. The invoice shall include following:

- number of contract, buyer's and seller's business name, registered office or place of business, Identification Number, Tax Registration Number;
- description of merchandise (type, serial number, quantity);
- implementation of taxable fulfillment, day of issue, due date, payment conditions;
- designation of financial institution and the number of account on which the seller is obliged to pay the purchase;
- amount of the purchase price without VAT, the VAT rate, amount of VAT, and total payment amount and amount awaiting clearance;
- seller's signature and seal.

5.2. The seller issues the invoice when delivering the merchandise to buyer. In doubts, it shall be presumed that the buyer received third day after the merchandise was delivered to buyer.

5.3. The purchase price is due on the due date of invoice. The invoice is due in the period determined by the seller on the invoice. The VAT is included in the purchase price. The purchase price does not include merchandise transportation costs to the buyer. These costs are settled separately in the invoice.

5.4. If the partial payment in advance of purchase price was agreed, the advance payment shall effected on the basis of issued advance payment invoice by collection order or cash payment before date of delivery.

5.5. The purchase price shall be considered paid on the day when the purchase price is put to the seller's account or paid cash on the seller's premises.

6. Breach of Contractual obligations and its Consequences

6.1. If the buyer is in delay with the purchase price payment or the advance payment, the parties agree that the late charges that the buyer is obliged to pay 0.05 % of due amount for every day of delay. The payment of late charges does not imply that the seller loses the right to compensation of damages arising from the non-payment of the purchase price.

6.2. If the buyer is in delay with the purchase price payment or the advance payment of the purchase price, the seller is entitled to withhold the delivery of the merchandise, even if the purchase orders have already been confirmed. In such a case the seller is not in delay with delivery of withheld merchandise. The period of delivery shall be extended by the period of buyer's delay with the purchase price payment or the advance payment of the purchase price.

6.3. If the buyer is in delay with the acceptance of merchandise, the buyer is obliged to compensate the seller damages that have occurred by non-acceptance.

7. Terms of Delivery, Pass of Risk

7.1. The seller shall deliver the merchandise on the date of delivery. The day of delivery may be agreed as fixed, i.e. specific date, or as period, i.e. by the end of certain period (e.g. by the end of month, within 14 days after the contract was concluded etc.). If mutually agreed by the seller and by the buyer, the merchandise may be delivered earlier, or partially. The seller is entitled to deliver the merchandise before the due date; however, he is obliged to notify the buyer in reasonable period in advance.

7.2. Unless the seller is obliged to hand the merchandise over to the carrier, the seller is obliged to enable the buyer to collect the merchandise in the seller's registered office or premises. If the merchandise with specification "personal collection" that had not been paid in advance is not collected within 10 after the invoice was issued, the seller shall ask the buyer to accept the merchandise within a reasonably

determined period. If such a period expires in vain, the seller may sell the merchandise. However, the seller is obliged to notify the party in delay of the intention to sell the merchandise. This intention may be communicated together with the period to collection of merchandise. If the merchandise with specification "personal collection" paid by advance payment within 10 days after the invoice was issued, the seller shall ask the buyer to accept the merchandise within a reasonably determined period. If such a period expires in vain, the contract is considered to be cancelled. The seller is obliged to return the advance payment to the buyer. However, the seller shall withhold 10% of the advance payment as a cancellation fee. This does not imply that the seller loses the right to compensation of damages arising from the non-collection of merchandise paid by the advance payment. The seller is entitled to cover such damages by the advance payment paid by the buyer.

7.3. The merchandise is considered to be delivered when the seller hands over the merchandise to the first carrier to transport it, or when the buyer collected the merchandise in the seller's registered office or premises. The certificate of delivery or other certificate (e.g. transportation contract, invoice) shall be deemed as document proving the delivery of merchandise to buyer or carrier. The certificate of delivery shall contain following: designation of parties to the contract, description of merchandise (quantity and type), date of delivery (i.e. acceptance of merchandise by the buyer or the carrier), signature of the buyer or the carrier.

7.4. The buyer's costs arising from the merchandise transportation from the seller's registered office or premises to the place of destination shall be covered by the buyer, if not agreed otherwise.

7.5. The risk of damage or destruction of merchandise passes to the buyer when the merchandise is delivered to the buyer. The seller shall not be held liable for the damages occurred during the transportation of merchandise.

7.6. If the merchandise is delivered by being handed over to carrier, the seller is obliged to designate the merchandise as a merchandise shipment for buyer. The seller shall be liable for adequate packaging corresponding to the agreed method of transportation.

8. Claim Terms

8.1. The seller provides a quality guarantee to the buyer within 6 months. The seller shall be held liable for quantity and type defects of sold merchandise under following claim terms.

8.2. If the merchandise is collected personally, the buyer is obliged to inspect the merchandise without undue delay after the merchandise was accepted. If the defect is ascertained, the buyer is obliged to notify without undue delay in the place of collection the buyer of such a deficiency in the place of collection. The seller shall eliminate the defect ascertained by the buyer and recognized by the seller without undue delay by delivery of missing merchandise or delivery of substitution merchandise for the defect merchandise. If the elimination of the defect is not possible within undue delay, the seller shall do so on next possible date. Such a date shall be communicated to the buyer.

8.3. If the merchandise is delivered through the carrier, the buyer shall raise claims of quantity and type defects within 3 days after the carrier handed the merchandise over. The buyer is obliged to raise claims of defect to the seller within agreed period by describing the defect in written. In case of the type defect the buyer is entitled to require substitution merchandise delivered by the defective merchandise is returned to the seller in original packaging, including the documentation necessary for acceptance and use of merchandise. The seller shall eliminate the defect ascertained by the buyer and recognized by the seller without undue delay by delivery of missing merchandise or delivery of substitution merchandise for the defect merchandise. If the elimination of the defect is not possible within undue delay, the seller shall do so on next possible date. Such a date shall be communicated to the buyer.

8.4. The seller shall not be held liable for quality of produced merchandise in case of production based on buyer-supplied film data or other material. If the merchandise is defective due to improper material usage or buyer-supplied films, the buyer shall pay the seller for even such merchandise.

8.5. The seller shall not be held liable for damages resulting from defective merchandise. The application Sections 436 (4) and 440 of the Commercial code shall be suspended by the agreement of parties.

8.6. The merchandise quality is declared by the "Certificate of Quality and Completeness" that shall be handed over to the buyer as a document related to the merchandise within the delivery of merchandise. The buyer shall note that the quality limits are settled by the international PERFAQ standard.

9. Final Provisions

9.1. The buyer declares by concluding of sales contract that he has got acquainted with the terms and agrees that the terms are integral part of the sales contract. The buyer shall note that the terms are binding on the regulation of relationship between the seller and the buyer in accordance with provision of Section 273 of the Commercial code, provided that the contract does not state otherwise.

9.2. The seller retains the right to modify or amend the terms, particularly if the applicable law or the business method changes. The modification, amendment and effectiveness shall be declared by the seller appropriately.

9.3. The legal matters between the seller and the buyer that are not mentioned expressly within the sales contract shall be governed by the Commercial Code and applicable laws.

9.4. The seller and buyer made an expressive conclusion that any possessive law-suits that would possibly arise from any contractual relationships and agreements between them or from any unilateral legal acts of one of the participants against the other one (hereinafter only legal acts), whether occurred or performed prior the signature, during it or after the signature of purchase agreement has been made, as well as any conflicts that arise due to these legal acts, including disputes on their validity, explanation, execution or termination, disputes on rights directly arising out of these legal relationships, even in case these legal relationships are invalid, cancelled or resigned from (hereinafter as conflicts), they will be judged in arbitration procedure with exclusion of common courts competence, as allowed in Act No. 216/1994 Coll. on arbitration procedures and execution of arbitration findings, in valid wording. Seller and buyer have concluded that the cause will be judged by arbiter(s) exclusively designated by the Společnost rozhodců, s.r.o., Identification Number 26816113, and will be chosen from the list of arbiters managed by Společnost rozhodců, s.r.o.

9.5. The seller and buyer shall be bound to maintain absolute confidentiality about any data and information that they have learned in connection with conclusion of the sales contract and that will be made accessible therefore, unless such data and information are publicly accessible. This obligation shall outlast the termination of the sale of contract. The buyer and the seller shall be bound not to reveal any information about the other contractual party to third parties. The seller and buyer shall maintain trade secret in accordance with Section 17 and following of the Commercial code.

9.6. The seller shall not be held liable for damages occurred under circumstances excluding liability (force majeure), e.g. State intervention, break-downs, transportation and energetic difficulties, electronic commerce system difficulties, strikes, lock-outs. These circumstances cause suspension of contractual obligation performance by the seller so long and within they are effective. Aforementioned is applicable whenever such circumstances occur by seller's subcontractors.

9.7. The buyer shall notify the seller without undue delay of any changes related to the buyer's authorization to practise his business activity, tax duties (change of Tax Registration Number and tax administrator, in particular), his valid account and bank connection and insolvency. If insolvency occurs, the seller's receivables of the sales contract towards the buyer become due when the seller gets acquainted with buyer's insolvency. In such a case the seller is entitled to require immediate return of non-paid merchandise.

9.8. These terms shall become effective on 1st January 2008.