

## **General Business Terms and Conditions**

for purchase of goods, services and work by Czech Airlines Handling, s.r.o. (valid date 1.9.2010)

### **1. General Provisions**

- 1.1. For these General Business Terms and Conditions (hereinafter referred to as „GBT“) is wholly applicable provision of Article 273\* Act No. 513/1991 Coll., the Commercial Code, as amended. The rubrics and the structure of these GBT are stated only for the lucidity and shall have no influence for the interpretation and meaning of GBT. Unless something different implies from the context, these definitions will have this meaning in these GBT:
- 1.2. „the buyer“, shall mean e.g. client, purchaser, – Czech Airlines Handling, s.r.o.
- 1.3. „the seller“, shall mean e.g. supplier, contractor, legal entity or natural person.
- 1.4. „the order“, shall mean e.g. contract of purchase, contract for work, mandate, innominate, lease contract; or even a draft of mentioned contracts.
- 1.5. „the supply“, shall mean e.g. goods, services, work, transaction.
- 1.6. By the acceptance of the order the seller confirms the acquaintance with the content and the acceptance of these GBT. The order sent by the buyer is the proposal of the contract. The contractual relation is commencing by the acceptance of the order by the seller. Unless the order is confirmed by the seller, the seller acknowledges the consent with these GBT is expressed by the realization of the supply to the buyer according to the order.
- 1.7. In case the order is not confirmed by the seller, the buyer is not obliged to take over the supply.

### **2. Property Right**

to the supply passes over from the seller to the buyer by the procedural acceptance (the confirmation of the delivery note) or unless the procedural acceptance is secured, in the frequent (usual) manner in the commercial relations. The buyer shall not accept any supply, which indicates whatever defects.

### **3. Terms of Delivery**

- 3.1. The place of delivery of the supply is the delivery address stated in the order.
- 3.2. Unless in the order is stated the price without transport to the delivery place, it's regarded as the transport is included in the price and forms integral part of the supply.
- 3.3. If the performance (supply) under the order involves repairing, modification, checking, assembling or other work on the objects (goods) sent to the contractor, the delivery place is the entrance control of the employer.
- 3.4. Each supply shall be sent together with the delivery note, which have to contain at least: the number of the order, the name of the processor of the order, the number of the item, the specification of the item, serial number (if it exists), the quantity, the price for unit. The buyer reserves the right to return the supply on the seller's costs unless contains requisites stated in this article.
- 3.5. The seller shall inform the buyer on time about the performance of the supply as long as the stated delivery term this information permits.

### **4. Penalties**

- 4.1. In case of the seller's default with the fulfilment of an obligation in arranged period, the seller is obliged to pay the contractual penalty in the amount of 0,1 % of the total value of the supply for each commencing day of the default until the proper performance of the obligation. The maturity of contractual penalties is 30 days commencing on the delivery date of the invoice.
- 4.2. Payment of the contractual penalty does not affect the right to demand full compensation for damages and also does not affect the duty to fulfil the obligations resulting from the order.

### **5. Payment and Invoicing**

- 5.1. Only way for payment is the bank transfer (cashless payment). Payment means that equivalent sum of money was charged-off from the buyer's account.
- 5.2. Invoicing can only be made after the procedural acceptance of the supply. The maturity of an invoice for supplied goods is 60 days commencing from the delivery of the invoice to the buyer.
- 5.3. The invoice shall contain requisites determined by tax and accounting legal regulations valid and effective at the date when the invoiced taxable supply is effected or at the date of receipt of payment for this supply. All tax documents shall have stated the number of the order, the name of its processor, the number of the item (if stated on the order), the places where this item was

supplied, the specification of the item, the serial number of the item, the amount of delivered goods, the unit price and the photocopy of the delivery note.

- 5.4. Unless the sent invoice contains requisites determined by the legal regulations or unless stated abovementioned information (see 5.3 ), or unless VAT is applied under the present Value Added Tax Act then the buyer should return the invoice to the seller for the addition in the maturity of an invoice for supplied goods. In this case the new 60-day maturity of an invoice for supplied goods begins from day the correct invoice was delivered to the buyer.
- 5.5. The address for the delivery of the invoices is: „Czech Airlines Handling, s.r.o. - Centrální evidence faktur, Letiště Ruzyně 160 08 Praha 6”.

#### **6. Price shall be in currency as stated by the order**

for the unit, for transaction and total, all without VAT. The price contains all costs in connection with the delivery and with the procedural acceptance of the supply. The price is final and shall not be modified.

#### **7. Guarantee period**

is 24 months from the date when the supply was procedurally accepted, unless from the character of the supply or from the purpose of its use arises something else. In the case the seller in the documents or on the covers, which form an integral part of the supply, states longer guarantee period, the latter one is valid.

#### **8. Termination or withdrawal**

- 8.1. The buyer reserves his right to cancel the order or its part in case that:
  - 8.1.1. the price of the supply had raised till the supply was delivered
  - 8.1.2. appeared defects were not eliminated in the period of 21 days from the notification of faults
  - 8.1.3. delay with the delivery is longer than one week from the stated term of the delivery
  - 8.1.4. the guarantee was not observed.
- 8.2. The contractual party shall not cede or transfer rights or duties or its parts arising from the order to the other person, unless the other party gave the prior written consent with this cession or transfer.
- 8.3. The agreement concluded for not fixed period shall be cancelled by the note in one month period commencing on the first day of the month which follows after the delivery of the note.

#### **9. Governing Law**

- 9.1. Any potential legal disputes arising from the order or from the contractual relationship, which will not be settled by negotiations between contractual parties, will be adjudicated by the Czech courts according to the Czech law.
- 9.2. To prevent conflict between GBT and parts of the order the meaning will be interpreted in this succession:
  - 9.2.1. the first page of the order,
  - 9.2.2. these GBT,
  - 9.2.3. any other supplementary conditions, which forms an integral part of the order,
  - 9.2.4. working processes,
  - 9.2.5. designs,
  - 9.2.6. specification,
  - 9.2.7. other documents.

#### **10. In the event, that these GBT or the agreement are prepared in addition to the Czech language version in another language version or simultaneously in two different language versions, the version prepared in the Czech language shall at all times prevail.**

\*(1) § 273 article 1 A part of the contents of a contract may also be specified by reference to general commercial terms drawn up by professional or special-interest organizations, or to other business terms which are known to the contracting parties, or which are appended to the draft contract.

(2) § 273 article. 2 Special divergent stipulations in a contract take priority over standard business terms under subsection (1).