

## GENERAL TRADE AND DELIVERY CONDITIONS OF THE COMPANY ALUMA ČS, s.r.o.

with its office at A. Dubčeka 291, 013 03 Krasňany, Company's Reg. No.: 30229235, incorporated in Companies' Register at the District Court, Žilina in the file Sro enclosure No 232/L R20090121

### Article I. Preliminary Provisions

1.1 These General Trade and Delivery Conditions of the Company ALUMA ČS, s.r.o., with its head office at A. Dubčeka 291, 013 03 Krasňany, Company's Reg. No 30 229 235, incorporated into Companies' Register at the District Court, Žilina in the file: Sro (Ltd.) enclosure No 232/L (hereinafter referred to as 'company' or 'Seller') compiled by the Company in line with the provision of Sec.273 of the Act No 513/1991 (Coll.) in Commercial Code, as amended (hereinafter referred to as 'Commercial Code' or shortly 'CC') shall be applied by Seller without any difference on all deliveries of goods and services in its business both:

- on the territory of the Slovak Republic, as well as
- abroad.

1.2 Seller and Buyer (purchaser, customer, applier, orderer of any goods, fulfilment and/or services – hereinafter referred to as 'Buyer') shall agree that all their mutual contractual relationships arising out of business activities of the company, offers, orders, purchase or other contracts, as well as deliveries of goods and services without any exception (hereinafter referred to as 'contract/s' or 'contractual relationship/s in terms of commercial law') shall be governed by the present General Trade and Delivery Conditions (hereinafter referred to as 'GTDC' or 'conditions') in line with provision of Sec. 262 of CC – Buyer shall confirm its consent and knowledge of existence, contents, rights and obligations arising out of GTDC in a separate order of goods and/or services from Seller (Seller and Buyer together hereinafter referred to as 'parties').

1.3 In line with section 1.2 herein GTDC in the form of Annex shall make an inseparable part of all contracts concluded between Buyer and Seller irrespective of the fact who a Buyer is, whether:

- Physical entity with domicile and/or residence in the territory of the Slovak Republic – a non-business person;
- Physical entity with domicile and/or residence outside the territory of the Slovak Republic – a non-business person;
- Physical entity with domicile and/or residence in the territory of the Slovak Republic – a business person;
- Physical entity with domicile and/or residence outside the territory of the Slovak Republic – a business person;
- Legal entity with its head office in the territory of the Slovak Republic – a non-business person;
- Legal entity with its head office in the territory of the Slovak Republic – a business person;
- Legal entity with its head office outside the territory of the Slovak Republic – a non-business person;
- Legal entity with its head office outside the territory of the Slovak Republic – a business person;

1.4 These conditions shall be applied to full extent as far as Seller and Buyer do not agree some provisions in a written agreement in a different way or extent.

1.5 The parties jointly declare that they take into account and are aware of the fact that in case of any disputes arising out of contractual relationships in terms of commercial law:

- An amicable non-judicial settlement of the disputable matter shall be preferred and
- In case of impossibility or non-willingness of Parties to follow the provision under a) it shall be solved by the Slovak court having the exclusive local and subject-matter jurisdiction in line with provision of Sec. 537e of the Act No 97/1963 (Col.) on International Private and Procedural Law in valid version (hereinafter referred to as 'Act on International Law').

1.6 This agreement on choice of jurisdiction shall become effective and valid at the moment stipulated in line with point 1.2 hereof.

1.7 Parties shall also agree in line with Sec.9 of the Act on International Law that conditions and contractual relationships in terms of commercial law shall also be governed by Commercial Code if Buyer is a subject specified above in letters b), d), g) and h) of section 1.3 hereof, such an agreement on choice of law shall become effective and valid at the moment stipulated in line with section 1.2 in connection with section 1.6 hereof.

### Article II. Offer, Order and Contract Conclusion

2.1 Seller's offer shall have exclusively informative character whereas its validity shall not be influenced by an eventual change of technical parameters of originally ordered goods and/or services not caused by Seller.

2.2 Records and attachments to offers, especially such as specifications of goods and services, shall have exclusively informative character if not specifically marked as obligatory by Seller; the subject matter of the contract shall be explicitly specified product with qualities and characteristics as well as with the purpose of use according to the enclosed product description (eventually a handbook of machines).

2.3 Any offer, contract and project data as well as other relating or similar documents (hereinafter referred to as 'provided data') shall be regarded in accordance with Sec. 51 in connection with Sec.271 of CC as confidential and must not be copied or provided to third parties without explicit written foregoing consent of Seller. If after having elaborated an offer per points 2.1 and 2.2 hereof it shall not come to the conclusion of the contract and the fulfilment of the order, Seller shall be entitled to immediately require the return of the data provided by him and Buyer shall undertake to return them immediately; the provision of Sec.373 of CC shall be effective likewise.

2.4 Seller's employees shall not be authorized to orally negotiate any supplementary agreements or orally confirm anything going beyond the scope of these conditions, written contracts or confirmed orders.

2.5 Buyer shall submit orders in written form – in person, by facsimile transmission, electronically (e.g. by e-mail) or by post – the order shall become binding at the moment of its delivery to Seller.

2.6 Buyer's order shall contain basic identification details of Buyer, especially:

- Corporate name or name and surname of Buyer;
- Company seat, or place of business of Buyer;
- Place of delivery;
- Company's ID.No. or other identification data about incorporation into appropriate register;
- Tax identification number or VAT.No., or where required to state whether Buyer is a VAT payer;
- A person authorised to act on behalf of Buyer;
- stating the scope of business;
- stating quantity of performance;
- stating a required delivery term.

If Buyer's order does not carry the above stated data, the original Seller's price offer shall be considered valid. Points e), f), g) may be replaced referring to the concrete price offer.

2.7 A contract between Seller and Buyer shall become understood as concluded when Buyer's order is confirmed by Seller in written, sending an advance payment invoice and its consequential full and/or partial settlement by Buyer; if according to the contract the invoice does not have to be settled, the contract shall be considered concluded in the moment when the advance payment invoice is signed by Buyer and delivered to Seller.

### Article III Scope of Business

3.1 Seller undertakes to deliver the ordered goods to Buyer per specification in advance payment invoice.

3.2 A part of the delivery of the machinery equipment shall be a EC- conformity declaration of the manufacturer of the equipment as a first copy and translation as well as a manual for the use of the equipment in the scope standardly delivered by the manufacturer as a first copy and translation.

3.3 Buyer undertakes to take over the goods and to pay the agreed purchase price in due course and on schedule.

### Article IV Price of Goods/Service

4.1 The agreed purchase price of goods (as well as of service and any other relating and similar performance) shall be expressly stated in the advance payment invoice – it shall not include VAT, custom fees, taxes or other payments to be paid by Buyer; the price shall be understood 'EXW (Ex Works – Incoterms 2000) ALUMA ČS, s.r.o., Krasňany, A. Dubčeka 291, Žilina, Slovak Republic'.

4.2 Seller shall be entitled to change the final price:

- If technical data in the order are changed;
- If an order deviates from the original offer;
- If the scope of business is extended;
- If the scope of order is reduced.

4.3 The price shall be agreed taking into consideration the costs of Seller at the moment of making an offer.

4.4 Buyer and Seller shall agree on the following price clause: if, in the time between the conclusion of the contract and the goods delivery, the costs of delivery shall be increased due to changes of customs, tax or other tariffs and regulations, bank rates, input materials and other relating and similar conditions that Seller cannot foresee at the moment of concluding the contract, Seller shall be entitled to adjust the price with a view to the costs verifiably increased in such way.

4.5 Prices for working hours shall relate to current working hours and performance; overtime work, night work, work on Sundays and holidays as well as work under impeding conditions lead to increasing the total price by respective surcharges added to the real total wage.

4.6 If not expressly agreed otherwise, Customer shall bear all costs, especially related to:

- transportation;
- packing;
- side fees;
- insurance;
- Custom fees;
- costs of monetary transactions, and
- other similar and relating expenses.

4.7 Seller and Buyer shall agree on the following exchange rate clause: if during the period between concluding a contract and delivery of goods the exchange rate of a Slovak koruna (SKK) will be increased towards Euro (EUR) per a valid exchange rate of the National Bank of Slovakia by more than 5 %, the amount of agreed purchase price in SKK shall be proportionally increased by the equal percentage.

4.8 Seller and Buyer have agreed on the following custom clause: if during the period of time between concluding a contract and the delivery of goods customs regulations shall be changed (e.g. by introducing customs duty, customs charge, etc.), Seller shall be entitled to adjust the prices with a view to such circumstances objectively arisen.

4.9 Price shall be increased by appropriate VAT in line with valid regulations.

### Article V. Terms of Payment

5.1 The Payments for goods and services, their amounts and the maturity date shall be agreed individually; they shall be expressly stated in the advance payment invoice.

5.2 Buyer's obligation to pay shall be fulfilled at the moment of duty and time – bound paying the whole sum to Seller's bank account, if Buyer does not pay at the cash desk. If Buyer is in delay with agreed purchase price, it shall pay the agreed late interest of 0.05 percent of the overdue amount for each, even started day of delay in line with Sec. 369 relating to Sec 502 of CC. If the delay takes longer than 30 days, Seller shall be entitled to back out of the contract and to demand the payment of contract penalty amounting to 25% of the total price for the delivery of goods or of service that does not influence the right for compensation of loss in line with Sec.373 and following of the CC.

5.3 In case of delay in payment obligation Seller shall be entitled to:

- to postpone fulfillment of obligation until the overdue accounts or other performance are covered
- adequately prolong delivery term, or

- to state a new delivery term/s, or
- to require immediate payment of full purchase price.

5.4 In line with the provision of sec. 355 CC Contract may be unilaterally cancelled within 10 days after its conclusion and it may be explicitly possible in case Buyer pays cancellation fee in the amount of paid-up advance payment, however, 15 per cent. of the price of goods maximally.

5.5 If Buyer does not pay for previous delivery of goods by the term of payment of respective invoice duly and on schedule, Seller shall be entitled to stop all other deliveries until full payment for delivered goods; this Seller's rights shall be applied also if there is a legitimate doubt on solvency of Buyer.

### Article VI Terms of Delivery

6.1 Deliveries of goods with regard to the accessibility of products, manufacturing factors and operation possibilities of Seller shall be completed within the shortest possible term. Seller shall be entitled to a partial performance, and to a performance prior to the set delivery term respectively.

6.2 The term of delivery fulfillment shall begin on the day of the payment of advance invoice settlement in full.

6.3 If delivery term is bound to delivery of documents, samples and/or test semi-products by Buyer, Buyer shall deliver them within the agreed contract term; in case of delay Seller shall be entitled to state a new term of delivery with regard to the conditions of the case.

6.4 A condition of complying with the term of delivery by Seller shall be due and accurate fulfillment of Buyer's contractual obligations; if Buyer shall not pay for individual items of goods according to advance invoice and to the price within agreed terms to Seller, then, as a rule, within 7 days after full settlement of price of goods, Seller shall be entitled to state a new term of delivery with respect to the conditions of the case.

6.5 Delivery terms shall be adequately prolonged in case of force major events that directly and/or intermediately influence the performance of Seller or Seller's suppliers and in case of other events that exclude and/or may exclude Seller's responsibility; if such performance becomes impossible as a result of such events, or it is not possible to fairly require the performance from Seller, then Seller shall be freed from the fulfillment of the obligation without Buyer's right for compensation of loss.

### Article VII Delivery Terms and Transfer of Danger of Loss

7.1 Unless otherwise agreed, the head office of Seller shall be the place of delivery. The person appointed by Buyer in the order shall take over the goods; if not appointed, the goods shall be understood as duly taken over by the person who on behalf of Buyer in writing confirms the receipt of the goods in delivery note, in doing so Buyer, if possible, expressly states in delivery note especially:

- name and surname of such a person;
  - date and time of the receipt of the goods and/or service;
  - eventual defects or shortage of goods;
  - signature of such a person and a stamp. If such a person does not dispose of any stamp, the person's legible signature shall be sufficient – thus legible signature shall be supplemented by the person's (authorized person, authorized employee, etc.) own cipher and/or another signature in card. Non-performance of the above mentioned data shall not affect proper delivery of goods by Seller.
- 7.2 Immediately at take-over, Buyer shall check the scope of performance, especially in terms of:
- quantity,
  - type of
  - and quality of delivered goods.

Buyer shall immediately report detected defects to Seller, otherwise its right for proper performance shall cease; if the shipment transported is damaged, Buyer shall write a protocol about damage with the forwarder and specify all detected imperfections – Buyer shall send one copy of the protocol signed by both parties and showing a date to the representative of a forwarder and one copy to Seller.

7.3 The danger of damage on goods shall be transferred to Buyer, namely:

a) By taking over goods by Buyer at the head office of Seller – in this case Buyer shall take over goods at the office of Seller within 3 days from written notice at the latest. If Buyer fails to comply with that term and does not immediately inform Seller how the goods shall be handled further, Seller shall store the goods and such goods shall be understood as delivered on the day of storage; in doing so Seller shall be entitled to the storage fee in the amount customary for such goods and time of storage; Seller shall be entitled to store the goods either in Seller's own warehouse or in another public warehouse or at a third person's;

b) By passing the goods to the first forwarder for delivery of goods to Buyer. If the contract obliges Seller to dispatch goods.

7.4 Buyer shall be responsible for making the conditions suitable for quick delivery, or goods unloading.

7.5 Seller shall be responsible for insurance of goods explicitly following an arrangement priorly agreed in writing and on Buyer's account.

### Article VIII Installation and/or commissioning of goods

8.1 If Buyer requires installation and/or commissioning of goods, Seller shall provide it only after the goods are delivered, for agreed price and in terms agreed with Buyer.

8.2 Unless agreed otherwise, at the installation and/or the commissioning of machinery and/or parts of machinery Buyer shall pay Seller's cost relating to such mounting, especially:

- costs of wages;
- price of assembling material;
- semi-products and/or samples necessary for proper adjustment of machinery (goods), or provide the subjective semi-products at own costs;
- overtime work costs;
- work on Saturdays, Sundays and bank holidays;
- travel costs;
- costs of accommodation as well as
- freight costs of baggage and tools.

8.3 At the installation and/or the commissioning of the goods Buyer shall provide the persons authorized by Seller with access to the premises where the subject of performance shall be placed and create all conditions necessary for such an installation and/or commissioning according to special requirements of Seller and/or manufacturer, especially paying due attention to: temperature, humidity, dustiness, lightness, powers supply conditions (such as electric power, air, etc.), temporary stocking, handling means, condition of the floor, operation environment of goods, operational conditions and the conditions for installation and/or commissioning.

The above stated requirements shall be delivered to Buyer together with the subject of purchase according to respective purchase contract – Buyer's readiness for mounting shall be confirmed in writing in advance and the confirmation shall be duly delivered to Seller.

8.4 An imperative precondition for starting and the performance of installation and/or putting into operation by Seller shall be the fulfilment of the conditions as specified in point 8.3 herein by Buyer; if Buyer:

- fails to provide Seller with respective assistance, or
- fails to comply with generally valid and special conditions for installation and/or putting into operation and use (e.g. in the sense of handbook service and operation), or
- fails to comply with required official conditions for homologisation.

Seller shall not perform installation and/or putting into operation and shall be entitled to require from Buyer to bear provable expenses inevitably joined with, and/or related to such non-performance and to compensate such caused damage, in doing so Seller shall not be responsible for such loss in any way.

8.5 Seller shall not be obliged to start installation and/or putting into operation until Buyer fulfils the following cumulative condition:

- if Buyer does not approve the apparent dimensions of the depicted objects provided by Seller to be mounted, and
- if Buyer does not notify Seller in writing that all requirements for smooth accomplishment of assembly works in terms of foregoing clauses of GTDC are fulfilled.

8.6 Buyer shall immediately in writing notify Seller about possible obstacles or troubles at installation and/or putting into operation; if Buyer fails to fulfil the above mentioned contract obligation, it shall be obliged to cover all costs thus caused.

8.7 Buyer shall provide proper and timely safe storage of all objects delivered for assembly works for the whole period of the installation and/or putting into operation.

8.8 Installation and/or putting into operation shall not include:

- construction works,
- other amendment of surrounding area;
- other amendment of the place of mounting the goods.

8.9 Installation and/or putting into operation shall be considered duly performed by proving that respective product works correctly (according to the granted documentation, or by other demonstration of standard operation condition). Parties shall write and sign a completion protocol on commissioning the subject of performance.

8.10 Installation and/or putting into operation shall be formally taken over on the place of installation of goods and shall be considered as completed by signing the protocol on commissioning. Installation and/or putting into operation shall be considered as duly completed and taken over by Buyer also without signing the protocol on commissioning in the following cases:

- if Buyer fails to follow the appeal for taking over or signing the protocol on putting goods into operation within 10 days from performance of installation and/or putting into operation and if Buyer has been warned in written form that non-taking over, or non-signing the protocol on commissioning without any legal reason shall have the same effects as taking over the installation and/or putting into operation, or signing the protocol on commissioning;
- if delivered goods are installed or put into operation, or use by authorized Seller's worker per contract without the obligation to officially sign the protocol on commissioning;
- if as per Buyer's instruction Seller shall dispatch goods to the place other than originally agreed in contract.

8.11 If Buyer shall require the elaboration of the project (so called 'layout') of imbedding the goods – machinery and layout of technology (hereinafter referred to as 'project'), Seller shall perform the objective project before the delivery of goods, or after the delivery of goods, but explicitly for the payment and within the term agreed by Parties.

8.12 Project per point 8.11 hereof shall be considered as an author craft in line with Sec. 7 paragraph 1 letter h) of the Act No 618/2003 (Coll.) on copyright and the rights relating to copyright ('Copyright Act') as amended (hereinafter referred to as 'Act') and having the corresponding protection of the copyright that is owned by Seller. Seller shall be exclusively entitled to give a written consent to further use of author craft by other than Buyer entities and to making it accessible by third persons and for further use stipulated by law.

### Article IX Guarantee for Goods

9.1 Buyer shall check the goods immediately after taking over, whereas it shall immediately give written notice to Seller of any defects of the goods, however not later than the stated limit:

- at defects in dispatch, quantity shortage and obvious defects within 5 days after taking over goods;
  - at hidden defects that are impossible to detect at proper entry check-up within 5 days from the day the defects might be detected while using all expert care, and
  - in other cases till the end of the guarantee period on defects that Seller's guarantee covers.
- 9.2 At claims the date of proper delivery of claim to Seller shall be crucial. An inseparable part of any written claim:
- whether incomplete or faulty delivery, or
  - any claim of obvious defects

shall also be complete accompanying documents of shipment; Buyer shall also describe in details detected defects of goods and their expression, and, if

possible, to attach a proof of purchase of goods and defected goods in original package and intact condition. The written notification of defects or claim shall also contain:

- type of machinery or equipment;
- manufacturing number;
- the year of production;
- description of defects;
- place of defect; and
- description, how the defect appear.

9.3 If the rights arising out of defects of goods are not applied in time and in the way stipulated by these trade conditions, the goods delivered by Seller and ordered by Buyer shall be considered as properly and on schedule delivered without any defects; the Seller's responsibility for defects shall dissolve.

9.4 Seller shall inform Buyer about the result of claim as a rule within one month from the date of acceptance of an ordinary claim; the legitimacy of claim, timing and compliance with the stated form in line with this Article hereof shall be conditions for acceptance of claim.

9.5 Seller shall provide a guarantee of the explicitly guaranteed qualities and faultlessness of goods to the extent corresponding to the current technological state – any changes in design or execution of goods carried out by Seller on Buyer's request shall not entitle Buyer to claim.

9.6 Goods are covered by a warranty period to the extent and for the duration exactly stated by manufacturer. Otherwise Seller shall provide Buyer described in Art. 1 clause 1.3 letters a) and b) hereof with a general 24-month-warranty period – in other cases Seller shall provide a warranty for the period of 12 months in a single shift operation - i.e. maximum 8 hours daily, or 5 days weekly, or maximum 250 eight-hour working days yearly. If the goods are used in two- or three-shift operation, warranty period shall be proportionally shortened. Thus, the warranty period shall be maximum 2,000 hours of operation of goods, or one year depending on what comes first. A warranty period shall start to run on the date of taking over of goods – if the adjustment to advance payment due before the delivery of goods is not paid, or if goods are not taken over within the agreed delivery term without Seller's fault, the warranty period shall start to run on the first day following after the breach of Buyer's obligation.

9.7 The guarantee shall not cover:

- consumable materials;
- usual wear of parts caused by normal use of machinery;
- Seller shall remove defects (faults) of goods at its option as follows:

- Seller shall either deliver missing goods, or
- Seller shall repair defected goods;

Other relating expenses (packing, forwarding the part from manufacturer, or from Seller to Buyer, travel and accommodation of technician, etc.) shall be borne by Buyer. Replaced goods/parts shall be transferred to Seller's property at the moment of taking over. Buyer undertakes to return the claimed part on its account to Seller's address within 10 days after delivery of a new part, at the latest. If Buyer fails to fulfil this obligation, the right for warranty shall cease and Buyer shall pay for the delivered new part the stated purchase price.

9.9 If Seller is not a manufacturer of the spare part, it undertakes to deliver to Buyer the spare part with parameters and utility qualities effective at the moment of its delivery by manufacturer or supplier.

9.10 Buyer shall provide Seller with possibility to judge the claimed fault including judgement by manufacturer of the equipment or spare part.

9.11 Seller shall not be responsible for faults, or more precisely, the legal right for warranty shall cease in the following cases:

- if fault is caused by unqualified handling with goods;
- if goods are not operated and maintained in line with the manual delivered by Seller to Buyer together with other documents at taking over goods; technical documentation shall be delivered as an original copy of manufacturer executed to its standard extent; in case of foreign language documentation - together with translation into Slovak or Czech, English or German;
- if Buyer or a third person has performed some changes, unqualified repairs or other interventions without Seller's consent or explicit Seller's authorization;
- if fault is caused by outside events after the transition of danger of damage to goods, and the damage has not been caused by Seller or persons, with help of which Seller fulfils its obligation - i.e. goods are used in premises with unsuitable working conditions, non-treated input energetic media, etc;

- if claim is not duly applied in written form at Seller;
- warranty shall not cover parts that are subject to natural and usual wear;
- if goods are manufactured per design data, drawings, models or other Buyer's specifications, Seller shall be responsible exclusively for correct technical manufacturing but not for its functionality;
- if the goods demanding professional assembling and putting into operation by a professionally qualified person has been commissioned by a different person;
- if integrity of goods is violated, or a warranty sticker is damaged;
- Instructions for installation and use of goods are not observed;
- Incorrect transportation or storage of goods;
- malfunction caused by climate or other similar and relating influences;
- defects in construction or unsuitable material that Buyer requires or uses in spite of Seller's preceding warning;
- defects having led to an agreed price reduction;
- if assembling and operation conditions of goods are violated – i.e. suitable temperature stipulated by manufacturer, suitable humidity and low dustiness of environment, etc. have not been observed;
- goods are damaged during forwarding.

9.12 Seller shall be only obliged to fulfil his obligations arising out of responsibility for faultiness, if Buyer is not in delay with payment for agreed purchase price and/or any other financial and/or non-financial commitment towards Seller.

9.13 Buyer shall pay Seller's costs relating to wrongful claim.

Article X Compensation of loss and conditions of exemption from liability for damage

10.1 Seller and Buyer shall be liable for damage caused to the other party by breach of contracting obligations, namely under conditions as per Commercial Code.

10.2 Seller shall not be liable to Buyer for a damage that shall arise as a result of:

- the maintenance of subject of performance executed by another than a competent person;
- incorrect or improper use of goods; and
- the use of goods in the environment other than designed for goods.

10.3 Seller shall not be liable for damage that shall arise as a result of force majeure; for the purposes of these GTDC, all extraordinary events shall be understood as the events of force majeure, especially:

- events that prevent Seller from temporary or permanent fulfilment of obligations arising out of the contract;
- If such events occur after the contract is concluded;
- the events not depending on Seller, and
- events that Seller could not foresee or divert at the moment of concluding the contract, as well as
- wars, uprisings, fire, floods, earthquakes, strikes, various measures of authorities, changes in legislation, natural disasters, possible accidents at operation, (e.g. break-down of machine or rolls, shortage of raw materials or powers), delay in forwarding, legal lockout;
- insolvency, re-structuring, liquidation, cancellation without legal successor of parties or delay of supplier and/or sub/supplier of spare parts not manufactured by Seller (as well as any deliveries of materials and power delayed not by Seller's fault and similar events of force majeure that cause breach of contractual obligations).

10.4 In case of force majeure events Seller shall have the right to:

- adequately prolong delivery term; or
- any other term; or
- not to deliver goods or spare parts; or
- to withdraw from the contract.

In the above mentioned cases Seller shall not be liable for caused damage.

10.5 Seller and Buyer have agreed that, in the event of a breach of a contracting obligation on the Seller's side, Buyer shall have the right for the payment of an agreed contracting fine amounting to 15 per cent of the price of goods, or the price of shipment.

10.6 The right for the payment of a contracting fine as well as legal demands out of warranty shall explicitly belong to Buyer – it is not possible to assign the above mentioned rights to a third person.

Article XI Setting of, liability and production as per Buyer's assignment

11.1 While settling claims Buyer shall be entitled to balance towards Seller only its:

- legally adjudicated and
- undisputable claims;
- other claims shall be counted up by Buyer only with Seller's consent, whereas similar provisions shall be applied for an eventual execution of a lien by Buyer.

11.2 Buyer shall take note of and agree that in case of Buyer's financial insolvency Seller shall be entitled to change the terms of payment of all existing Seller's claims and to demand immediate payment (hereinafter referred to as 'acceleration') by a written notice delivered to Buyer. For the purposes of this contract, the reasons for the acceleration shall be especially:

- delay in payment of any Seller's claim longer than 15 days, or
- bankruptcy of Buyer, or
- Entry into liquidation of Buyer.

If contrary to Seller's written appeal Buyer does not pay for all its debts towards Seller within 7 days from delivery of the appeal, Seller shall have the right to back out all concluded purchase contracts relating to Buyer's non-paid financial commitments and Buyer shall return to Seller all goods relating to the backing out.

11.3 In case of manufacturing per drawings, samples and other instructions of Buyer Seller shall not be liable for functional ability of goods; however, the above mentioned shall not apply to warranty and liability, as far as these circumstances relate to customer's manuals.

11.4 Buyer shall be responsible that the production of goods manufactured according to its manuals and instructions does not violate any third persons' rights; Seller shall have the right to back out the contract if third persons apply their rights, whereas Buyer shall be obliged to compensate the loss to Seller and all incurred and relating expenses.

Article XII Reservation of property right and contractual penalty

12.1 Buyer shall gain the property right to delivered goods only after complete, duly and timely payment of purchase price and also after the paying up of all its financial obligations towards Seller (hereinafter referred to as 'goods with the reservation of property right'). Until the period of gaining the property right, Buyer shall undertake to mark all goods with the reservation of property right and shall store or handle the goods so that the goods could be sufficiently distinguished from other goods. The property right shall be transferred to Buyer in line with Sec. 445 of CC only after full payment of the total purchase price, interests, interests on the overdue accounts, contractual penalty and other costs relating to the delivery of goods to Buyer; the provisions about advance payment invoice shall remain untouched according to Art. IV hereof.

12.2 Buyer shall handle the goods not yet being in its property, with utmost care; provisions on the transfer of danger of damage of goods from Seller to Buyer and on warranty conditions shall remain untouched by the reservation of property right according to clause 12.1 hereof.

12.3 If Buyer fails to fulfil his contractual obligations, especially if Buyer is in delay with payment of its valid obligations, Seller shall be entitled to call

Buyer to immediately return the goods with reservation of property right; the assertion of reservation of property right by Seller shall not be understood as backing out of the contract.

12.4 If Buyer fails to return goods within 15 days after delivery of a written call, Seller shall be entitled to take off, remove, store and resell the goods on Buyer's costs. Buyer shall agree that Seller, or a person appointed by it, enters:

- Buyer's head office;
- its commercial premises;
- operation facilities;
- branches;
- shops, or
- other similar and relating premises,

and to take appropriate goods away; this stipulation shall be adequately applied in other cases where Seller is entitled to take the delivered goods away. 12.5 If any third party applies its right to the goods with the reservation of property right, or such goods shall become subject to an order enforcement, forced sale, etc., Buyer shall be obliged to immediately notice Seller about it, deliver all available documentation to Seller and perform all acts necessary for the protection of Seller's property right.

12.6 Buyer shall pay the contractual penalty:

- if Buyer is in delay with payment of the invoice for more than 30 days - 10per cent of total value of the delivery of goods and/or services for every 30 days of the delay;
  - if Buyer is in great delay or fails to take over the goods and/or services without any legal reason for it – 50 per cent of total price of the delivery of goods or services;
  - if Buyer is in delay with the return of goods as per clause 12.3 Art. XII hereof for more than 15 days – 10 per cent of the total price of the delivery of goods or services and
  - 10 per cent of the total price of delivery of goods and/or services for every other 30 days of delay;
- the above stated arrangements shall not influence the claims of Seller for compensation of damage and loss of profits and Buyer's obligation to pay interest on the overdue accounts in line with clause 5.3. Art. V hereof.

Article XIII Consolidated and Final Provisions

13.1 Buyer shall without delay advise Seller in written form of any changes especially of:

- Buyer's identification data;
- entry into liquidation;
- the state of bankruptcy;
- resolution about merger, consolidation, division and/or change of legal form;
- submission of proposal for bankruptcy;
- submission of proposal for re-structuring;
- any other fact that may influence Buyer's capability to fulfil its financial commitments.

13.2 Following Seller's written call Buyer shall undertake to immediately deliver to Seller all required documents to required extent and within required term.

13.3 In line with the provision of 51 related to provision 271 of CC Buyer shall keep in confidence all information gained at the signing and fulfillment of purchase contract and/or any similar contract concluded with Seller and not to publish any in relation to third persons – Buyer shall agree that its business name, subject of purchase, design of placing and arrangement of technology and machinery, plan and layout will be used for marketing purposes of Seller, as well as with the announcing of delivered machinery, premises and business name; Buyer shall also agree with publishing references by Seller.

13.4 Buyer shall express its explicit consent with processing of provided data for marketing purposes for unlimited period of time by sending advance payment invoice and following delivery to Seller.

13.5 Advance payment invoice including these GTDC shall be executed in four copies; two of each for Buyer and two for Seller.

13.6 By paying up any sum in advance payment invoice Buyer shall simultaneously confirm its acceptance of these commercial conditions.

13.7 Buyer shall not be entitled to transfer its contractual rights to a third person without prior Seller's consent.

13.8 Parties shall undertake efforts to solve any disputes by an agreement, namely on the level of statutory bodies of the parties. If it fails, parties shall apply their claims at an appropriate Slovak court having the local and subject-matter jurisdiction.

13.9 These GTDC and all legal relationships between Seller and Buyer shall be governed by Slovak law, especially by Commercial Code; the provisions of the UN Convention on international purchase contracts of goods published in Collection of Laws and in the form of Notice of the Federal Ministry of Foreign Affairs of the Czech and Slovak Republic No. 160/1991 (Coll.) shall be not applied.

13.10 If any of the provisions hereof and/or of concluded contract shall become invalid, ineffective or unenforceable, such invalidity, ineffectiveness or unenforceability shall not influence the other contents hereof and/or concluded contract; thus touched provisions shall be replaced by valid, effective and enforceable provisions that are closest in their contents and meaning.

13.11 These GTDC shall become valid and come in force on 2009-01-21. Seller shall reserve the right to amend these GTDC in future and notice Buyer about such amendment – Buyer undertakes to get acquainted with the amended GTDC and conclude all following contracts in a respective way.