### **General Terms and Conditions**

of the trading company JPJ Forest, Ltd., with its registered office in Horní Nová Ves 45, 50781 Lázně Bělohrad, ID: 28775104, VAT: CZ28775104, registered in the Commercial Register of the Regional Court in Hradec Králové - Section C, File 26603, for the sale of goods in the seller´s office at the address Horní Nová Ves 45, 507 81 Lázně Bělohrad.

I.

### **Preliminary provisions**

- 1.1. These General Terms and Conditions (hereinafter as "GTC") shall govern the business relationships between the contracting parties of the purchase contract, where on one side, there is the company JPJ Forest, Ltd., with its registered office in Horní Nová Ves 45, Lázně Bělohrad 50781, ID 28775104, VAT: CZ28775104, registered in the Commercial Register of the Regional Court in Hradec Králové Section C, File 26603, as seller (hereinafter referred to as "Seller") and on the other side, there is the purchaser (hereinafter referred to as "Buyer").
- 1.2. The **Buyer** is a consumer or entrepreneur.
  - A consumer is every person who outside their business activities or outside independent exercise of their profession enters into a contract with a seller or is otherwise involved.
  - b) An entrepreneur is a person who on their own account and own responsibility is gainfully employed by the trade license or similar means with the intention to do so consistently to achieve a profit. The entrepreneur is also considered every person who enters into a contract related to their own business, manufacturing or similar activity or within independent exercise of their profession, or a person acting in the name or on behalf of the entrepreneur. An entrepreneur for the purpose of the GTC shall mean a person who acts in accordance with the preceding sentence as part of their business. If the buyer will indicate their identification number in the order or in the written copy of the purchase contract, then they acknowledge that the rules contained in the GTC for entrepreneurs apply to them as well.
- 1.3. Provisions derogating from the GTC can be agreed upon in the purchase contract. Derogating arrangements in the contract shall prevail over GTC provisions. The GTC provisions form an integral part of the purchase contract. The purchase contract and the GTC are written in the Czech language. Purchase contract can be concluded in the Czech language. The seller may modify or amend the wording of the GTC.
- 1.4. By placing an order the Buyer confirms that they are familiar with these General Terms and Conditions before concluding a purchase contract, and that they explicitly agree with them.

## Conclusion of the contract and payment terms

- 2.1. Conclusion of the purchase contract takes place in the Seller's premises, in the form of oral or written. If it is a purchase contract in oral form, it is concluded by takeover of the goods.
- 2.2. The price of goods will be paid by the Buyer as follows:
  - a) in cash in the Seller's premises,
  - a bank transfer to the account of the seller; for payment in CZK account no. 43-5246540237 / 0100, for payment in EUR - account no. 2000357922/2010, BIC code FIOBCZPPXXX, IBAN CZ072010000002000357922,
  - c) a cashless payment card
  - d) via credit provided by a third party.
- 2.3. Together with the purchase price, the Buyer shall pay also the costs related to packaging and delivery of goods at an agreed rate. Unless expressly stated otherwise, the purchase price hereinafter refers also to costs associated with delivery of goods.
- 2.4. In the case of payment in cash, the purchase price is payable upon receiving the goods. In case of cashless payment, the purchase price is payable within 5 days from receiving the goods. In the case of cashless payment, the Buyer shall pay the purchase price of the goods together with stating the variable symbol of the payment. In the case of cashless payment, the obligation of the Buyer to pay the purchase price is fulfilled at the moment when the relevant amount is credited to the account of the Seller.
- 2.5. If it is customary in trade relations, or if stated by the generally binding legal regulations, the Seller will issue a tax document to the Buyer an invoice regarding the payments made under the purchase contract. The seller is a payer of value added tax. The tax document invoice is issued by the Seller to the Buyer after payment of the price of goods and the Seller sends it electronically to the Buyer's email address.
- 2.6. The goods remain the property of Seller until full payment of the purchase price.

III.

## Rights arising from the defective performance

3.1. Goods are defective if they do not have agreed specifications. Buyer's right arising from the defective performance is based on a defect which exists when the risk of

damage has been transferred to the Buyer, though not materialized until later. Buyer's right is established even by a later formed defect that was caused by Seller's breach of duty.

3.2. Buyer inspects the goods as soon as possible after the risk of damage has been transferred to the property and makes sure of its properties and quantity.

IV.

# Seller's liability for defects during the sale to the entrepreneur

- 4.1. Seller is liable to the Buyer- entrepreneur that the goods on delivery have no defects. In particular, the Seller is liable to the Buyer the entrepreneur, that when he took over the goods,
  - the goods have qualities that the parties have agreed upon; and in case of absence of the agreement, the goods have the qualities described by the Seller or expected by the Buyer - entrepreneur given the nature of the goods,
  - b) the goods are fit for the purpose which the seller puts for their uses or for which goods of the same type are normally used,
  - c) the goods are in the right quantity, measure or weight and
  - d) the goods conforms to the legal requirements.
- 4.2. Buyer entrepreneur does not have the right arising from the defective performance if it is a defect that he could identify even with customary attention at the conclusion of the purchase contract.
- 4.3. Buyer the entrepreneur is obliged to report the defect to the Seller within 14 days, after they could detect it at a timely inspection and with adequate care, but no later than six months from receiving the goods. If it is a hidden defect, the Buyer the entrepreneur is obliged to notify the Seller within 14 days, after they could detect it at a timely inspection and with adequate care, but no later than one year from receiving the goods.

٧.

# Seller's liability for defects during the sale to the entrepreneur

- 5.1. Seller is liable to the Buyer- entrepreneur that the goods on delivery have no defects. In particular, the Seller is liable to the Buyer the entrepreneur, that when he took over the goods,
- a) the goods have qualities that the parties have agreed upon; and in case of absence of the agreement, the goods have the qualities described by the Seller or expected by the Buyer - entrepreneur given the nature of the goods and based on advertising carried out by them,

- b) the goods are fit for the purpose which the seller puts for their uses or for which goods of the same type are normally used,
- the goods corresponds to the agreed sample or its original in their quality or performance if the quality or performance is determined in accordance with contracted sample or original,
- d) the goods are in the right quantity, measure or weight and
- e) the goods conforms to the legal requirements.
- 5.2. If the defect occurs within six months of taking over, it is considered that the goods were defective at the time of takeover.
- 5.3. Buyer Consumer is entitled to exercise the right arising from the defect that occurs to goods at within the twenty four months time from the takeover.

#### VI.

# The quality guarantee

- 6.1 The Seller undertakes with the quality guarantee that the goods will be eligible for a certain period for use to common purpose or will retain its usual properties. These are the effects of putting the warranty period in the warranty certificate handed over to the Buyer together with the goods, in these GTC or on the packaging of goods (this applies to the consumer by law). The guarantee may also be provided to an individual component of the case.
- 6.2 Seller provides a quality guarantee for the following: the goods, their qualities, parts of the goods and this in the length, which is always specified in the relevant warranty certificate.

### VII.

### **Final Provisions**

- 7.1 The rights and obligations of parties under purchase contract concluded between the Seller and the Buyer in accordance with these GTC are governed by the Czech law, particularly the Law no. 89/2012 Coll., Civil Code. The Vienna UN Convention on Contracts for the International Sale of Goods of the 1980 shall not apply to the contractual relationship based on the purchase contract or nor for contractual relations established on the basis of partial purchase contract concluded between the parties.
- 7.2. Disputes arising between the parties in connection with the purchase contract shall be resolved objectively and by the locally relevant court of the Czech Republic, and for determining the local jurisdiction the general court of the Seller is conclusive.

- 7.3. The purchase contract is concluded in the Czech language. If there is a translation of the text of the agreement for the needs of the Buyer, in the case of a dispute concerning the interpretation of terms, the interpretation of the contract in the Czech language is valid
- 7.4. If any provision of the Terms and Conditions is invalid or ineffective, or becomes such, instead of the invalid provision comes a provision whose meaning is as close as possible to the invalid provision. The invalidity or unenforceability of one provision does not affect the validity of the remaining provisions.

Seller:
JPJ Forest, Ltd.
Represented by executive head: Jiri Komarek

In Horní Nová Ves on June 8, 2015