



GENERAL COMMERCIAL TERMS AND CONDITIONS

for the Sale of Goods Supplied by EMBA

These General Terms and Conditions are valid as an integral part of any purchase agreements entered into either for the sale or purchase of all assortment supplied by EMBA, spol. s r.o. Paseky nad Jizerou. The Terms and Conditions specify and detail rights and duties of the Seller and Buyer.

Delivery Terms

1) Delivery of goods shall be carried out upon handing over of the goods to the Buyer at the Seller's registered office, or to the first carrier to transport the goods for the Buyer to an agreed destination where the Seller is obliged to dispatch the goods. Ownership title to the goods shall pass on the Buyer at the moment of full payment of the contractually agreed amount.

2) If the Parties agree on their own collection of goods by the Buyer, the Buyer shall be obligated to collect all goods that were ordered within 3 days from a notice by the Seller. In case the Buyer is in default with collection of the goods, the Seller may send the goods to the Buyer at Buyer's costs through any suitable channel.

3) The Seller is entitled to deliver goods before an agreed term of delivery, and the Buyer is obligated to collect the goods, but no more than by 5 days earlier.

4) The Seller warrants dispatch of goods within an agreed term only in the case that after having sent a draft of the purchase agreement to the Buyer the Seller receives acceptance of the same via fax, mail, e-mail, or personally within 4 working days.

5) The Seller shall not be liable for delay of delivery caused by force majeure or by an event that makes it difficult for or disables the Seller to satisfy terms and conditions of the concluded agreement, such as a strike, lockout, war, fire, etc. The Seller shall be obligated to inform the Buyer of such events immediately, and agree with the Buyer on a substitute delivery term.

6) The Seller shall be entitled to deliver goods within a permitted deviation of $\pm 10\%$ of ordered goods, unless another tolerance is agreed.

7) Quality of delivered goods shall correspond with an agreed and approved sample.

Complaint Procedure

Complaint procedure is a one-party written legal act of the Buyer that is directed at application of rights arising from Seller's liability for defects on goods.

The Buyer shall be obligated to:

- 1) check upon acceptance of goods whether transport packaging is not damaged;
- 2) note down in the transport certificate that packaging is damaged;
- 3) complain about possible incorrect number of goods and apparent defects of delivery in writing at least 3 days from acceptance of the goods;

- 4) complete, issue and send to the Seller a complaint record (use the prescribed form available at www.emba.cz, or in the bottom part of these General Terms and Conditions);
- 5) attach photos or, as the case may be, a sample of a defective or damaged product to the complaint form.

Unless stipulated otherwise, the Seller shall provide a standard warranty period in the length set forth by law and applicable to all types of delivered goods; otherwise it is 6 months.

Packing

Goods are packed on pallets or in parcels. If package fee is charged, the Buyer shall have a possibility to return undamaged pallets and boards within 45 days at its costs. Price of such returned package materials shall be paid back to the Buyer upon an invoice issued by the Buyer. This provision does not apply to cases of disposable pallets. Type of packing and charging method of package fee may be agreed otherwise in writing.

Storage

All products from paperboard, solid board, carton and paper must be stored in clear, covered, dry and ventilated spaces. They may not be exposed to the direct weather, humidity, dirt and radiant heat from heat sources of any kind. They must even be protected against pests attacks and against influences of aggressive chemical substances. Proper quality is ensured by storing in spaces with constant temperature 15 - 20°C and constant humidity 45 – 50 %. In case of packaging products and boxes, the material may not be folded per more than 135 ° in the creasing.

Price and Payment Terms and Conditions

- 1) Unless the purchase agreement stipulates otherwise, the purchase price shall mean the price exclusive VAT, EXW Paseky nad Jizerou under INCOTERMS 2010.
- 2) Unless the Parties agree on another method of payment, the Buyer shall be obligated to pay for the goods a purchase price on the basis of an invoice (tax document) issued by the Seller within 14 days from sending the invoice. First business transaction is carried out only after payment of the goods.
- 3) Payment date is understood as the moment of crediting the invoiced amount to the Seller's account. An invoice is deemed to have been paid from that moment.
- 4) Unless the purchase price for deliveries made in the previous period is not paid fully and timely, the Seller may refuse or interrupt delivery of further goods to the Buyer even if a purchase agreement with respect to that further sale has been concluded or, as the case may be, the Seller may withdraw from such purchase agreement subsequently.
- 5) In case the Buyer is in default with payment of the purchase price for delivered goods under the invoice, the Buyer is obligated to pay to the Seller a contractual interest on default amounting to 0.05 % of the invoiced amount for each day of delay, unless the Parties agree otherwise.
- 6) In case payment of the purchase price or a part thereof is agreed in advance, failure to meet the payment term of such advance invoice shall be deemed a material breach of the agreement on the basis of which the Seller may withdraw from the purchase agreement.
- 7) In case of purchase in Emba e-shop, there is 2% discount applied. If the customer pays using eKonto, he receives 1% discount. Packing cost in 190 Kč in orders till 1000 Kč. Over 1000 Kč is free of charge.

Cut-out and Print Moulds, Graphic Bases, Samples

1) The Seller reserves the right of ownership and copyright to all cut-out and print moulds, graphic bases and samples, as well as to any drawing documentation and similar documents relating to delivered goods that were not supplied by the Buyer and that the Buyer did not pay.

2) If any cut-out moulds or lithography were not supplied by the Buyer, the Buyer shall pay any costs of their production to the Seller. The Seller shall make calculation of such costs in a tax document separately from price of the delivered goods, usually during the first invoicing for delivery of a new product. If agreed, it is possible to distribute the said costs into the price of goods during first delivery. Such cut-out mould shall become property of the Buyer in both cases.

Other and Final Provisions

1) The Contracting Parties undertake to maintain any information that is related to the business transactions concluded between the Parties confidential.

2) All rights and duties of the Contracting Parties arising from the purchase agreement as well as from these General Commercial Terms and Conditions shall be governed by the legal order of the Czech Republic.

3) Unless the purchase agreement stipulates otherwise, provisions of these General Commercial Terms and Conditions shall apply.

4) The Contracting Parties have agreed to determine the Regional Court in Hradec Králové to settle all disputes that may arise from this agreement.

EMBA, spol. s r.o.
Ing. Jiří Jelínek
Sales Manager