

I.General regulation

1. These general conditions of business and delivery (further only GCBD) are trade conditions within the meaning of enactment § 1751 and subsequently Law Nr. 89/2012 statute book, civil code. Purpose of these GCBD is detailed right (law) and obligation adjustment from the Contract for a Product between – Strojírna Loučná j.s. and an Orderer, in the implementation of the Contract subject (further only Product), especially the providing of services related to the fabrication, delivery and assembly of the Product.
2. These GCBD together with the specific terms of work execution, which are content of the contract for work, similar contracts or confirmation of order or offer (further only Contract), constitute the entire agreement of the Parties about the conditions of work execution and replaces any existing conditions proposed by the Orderer and prior oral or written agreements. In case that a different arrangements of the Contracting Parties are emerging from the Contract, against these GCBD, then the arrangement of the Contract applies (stands) over these GCBD.
3. GCBD are binding to the Parties from the date of conclusion of the Contract, as long as the Contract will include written references to these GCBD and the same will be enclosed to the Contract or the Orderer confirms in the Contract or in other way that is aware of the GCBD content.
4. Changes and additions to the GCBD, as well as any modifications, additions and supplement to the Contract are permitted only in writing form, with prior approval by both Parties.
5. For legal proceedings made in written form are also considered legal proceedings made in electronic or other technical means, allowing the depiction of the content and determination of the acting person, on condition that their content will be fixed and understandable and the legal proceeding will be done by an acting person stated in the Contract. This agreement is not valid for legal proceedings according to Section 4 of this GCBD Article.
6. All the information stated in the Contract, hereinafter information, documents and other data provided by the Contractor to the Orderer in connection with the Contract, that are not commonly available, are Contractors trade secrets (hereinafter Confidential Information). The Orderer agrees that without the prior written consent of the Contractor, will not use these Confidential Information for its own use in contrary of the Contract purpose, nor will allow to a third party access to them.
7. In the event that the Customer fails to fulfill any of their contractual responsibilities or legal obligations, the Contractor can either insist on their fulfilment or may withdraw from the Contract. In both cases, the Contractor is entitled to compensation for financial damage, caused by these.

II.Packaging

1. In case the Parties, based on the requirements of the Orderer, do not agree on a special method of packaging the Product, respectively its individual parts, the Contractor is obliged to provide packaging according to specific work practices appropriate for dispatch and transport, or a method needed for the preservation of the product and its protection.
2. In case there is no other agreement, the wrapping is considered to be irreversible, except the wrapping in which the Parties agree on terms of their returning back to the Contractor. In case of an agreement on the wrapping, the Contractor remains the wrapping proprietor. The Orderer bears the risk of damage for the time during which the wrapping is to its disposal.

III.Pricing and Payment Terms

1. Agreement on the Price of the Product, if need be about the method to determine this Price, is required for the formation of the Contract.
2. The price of the Product, listed in the Contract is a Price without VAT. The Orderer is obliged to pay the Price of goods after its increase on the current rate of VAT. This does not apply if this is performed in a devolved transferred tax obligation mode and the obligation to declare VAT is up to the Orderer.
3. The Contractor is entitled to increase the Price of the Product in case that during the period for which the Price has been negotiated, including the period after the draft Contract was made out by the Contractor, until the Product delivery, there is a significant increase in decisive production costs necessary for fabrication of the Product. The Contractor shall promptly notify the client of the Price modification in writings with evidencing method of calculation of the price changes.
4. In case the Price of the Product has been negotiated according to the number of pieces of movables (further only goods), the deciding entry about the shipped goods is stated in the corresponding documents with the shipment, usually bill of delivery.
5. The Contractor shall have the right to charge the cost of the product, alternatively its part (also Product Price), on the basis of an invoice issued on the date of the taxable point, which means the date when there is a fulfillment of the obligation to deliver the Product under the Contract, unless otherwise specify in the Contract.
6. In case the due for payment in the Contract is not negotiated, the Orderer si obliged to pay the Price of the Product to the Contractor bank account listed in tax documents within 30 days from the invoice date. The Orderer will be obliged to claim the legitimate objections to the content of the invoice no later than 5 days from the date of its delivery.
7. Payment date means the date when the charged amount that is corresponding with the full price of the product / Net Effective and / or another financial debt of the Orderer is credited to the bank account of the Contractor.
8. In the event that the Orderer is in default in complying with any of the financial debt or part thereof, the Contractor is entitled to claim interest on late payments at the agreed amount of 0.03% of the amount due for each day of delay.
9. The Contractor is entitled to require an advance (s) from the Product Price. Basis for the payment of this advance will be advance (proforma) invoice, payable within 30 days from the date of issue of the proforma invoice, unless the parties agree in the Contract to another due for payment. The Contractor is also entitled at signing of the Contract, to request from the Orderer acceptable debt secured by property (documentary Letter of Credit, bank guarantee, liability of another entity, issue of promissory note or bill of exchange, estabilishment of right of lien, ensuring transfer of rights, transfer of claim or any other appropriet ensurance). In case that the Orderer would not meet in an agreed term this criteria , the Contractor is entitled to suspend the work on the Product /sending the Product or has the right to cancel the Contract.
10. The Contractor is not obliged to deliver the Podcuct, or has the right to stop work on the Product or is entitled to withdraw from the Contract or to exercise other rights under these GCBD, if the Orderer fails to comply with the payment terms for the payment of any monetary debts to the Contractor, hereafter if the Orderer fails to provide sufficient security for a debt to the Contractor, or fails to comply with any other obligations under this Article of these GCBD. Such conduct of the Contractor shall not be considered as a breach of contract or as a delay of the Contractor with the delivery of the product.

11. The Orderer may not assign any of its receivables for the Contractor arising from the Contract or in connection with it to other entity, or to such receivables establish a lien to secure their debt or debts of third persons, without a written consent of the Contractor. In case of violation of this obligation by the Orderer a contractual penalty of 20% of the nominal value of unauthorized assignment or pledged receivables is being agreed. The Orderer also has no right to unilateral netting on their debts to the Contractor.

IV. Goods delivery conditions

1. Contractor will deliver the Product within the period agreed in the Contract as period of execution. The Contractor is entitled to deliver the Product ahead of schedule, in case the Orderer does not reject such delivery after the same was informed by the Contractor about the readiness of the Product, or as the case may be, sending. The Orderer is not entitled to demand an early delivery of the Product.
2. Period of fulfilment may be reasonably extended by the Contractor for the time necessary to remove obstacles that are compromising / complicating the fulfillment of the Contractor. Of these facts, the Contractor shall immediately notify the Orderer and make every effort to rapidly remove these obstacles.
3. The Contractor also has the right to extend the period of performance of the period for which the Orderer is in default in meeting its financial debts to the Contractor, even from other Contracts.
4. The Contractor shall notify the Orderer of a dispatch of each consignment of goods which is a part of the Product, within 24 hours after dispatch.
5. In case the Contractor has no obligation to conclude a transport contract with the Orderer, the Orderer is obliged to Product, if need be to ensure collection, no later than 10 days after it will be notified by the Contractor of the readiness of the Product for dispatch.
6. The Contractor is authorized to perform a partial delivery of the Product and the Orderer is obliged to accept the delivery as such.
7. A necessary condition for sending the Product by the Contractor, is also the proper payment of all financial debts payable by the Orderer of all contractual relations.
8. In case that the Product is delivered to the Orderer - a taxable subject, registered to value added tax (VAT) on the territory of the EU, the delivery of the Product while meeting the statutory requirements under the reverse charge is liable to the Orderer. The delivery documents on the territory of the EU are corresponding transportation documents, particularity consignment note. If the product delivery is carried out by delivery clause according to which the Contractor has no obligation to the Orderer to conclude a transport Contract, the Orderer agrees to promptly provide the Contractor with appropriate evidence of receipt of the delivered Product, alternatively take over the delivery note provided by the Contractor proving the Product delivery.
9. The Orderer undertakes to promptly in writing inform the Contractor of any changes to its tax identification (VAT), as well as about a mode change in a VAT registration (taxpayer – non-taxpayer). In case of a breach of this duty by the Orderer, the Contractor is entitled to demand compensation for any property damage incurred to the Contractor as a result of VAT payment or sanctions payment or other tax administrator payment.
10. The Orderer undertakes to inform the Contractor immediately after the acceptance of the Product by the carrier for damage or depreciation of the Product during transport and state Their objection to the corresponding transport document.

V.Product Proprietorship rights and limitation of right of disposal

1. The Product remains a property of the Contractor until full payment of the price of the Product including VAT (proprietary, retention of title).
2. The Orderer is not entitled to sell the Product or in any other way to dispose of it, encumber, damage it, degrade, destroy it and performed on it any alteration, modification, repair, or handle it in a different way, for example move the Product to an other location or dispose of it, especially to establish a right of lien or provide other bond in favor of third parties, apart from the right of the Orderer to use the Product within the point of the Contract and within normal commercial production activities. Until the Orderer becomes an owner of the Product, the same must be placed on a visible place, supplied with information that the Product is still owned by the Contractor.
3. In the event that the Orderer is in default with payment of the price of the Product, the Contractor is entitled from Product Proprietorship rights to summon the Orderer to an immediate release of the Product and to appear at the location of the duty and Product acceptance, alternatively to the location where the Product is physically located. The Orderer is obliged to allow the Contractor acceptance of the Product and provide all necessary cooperation. All expenses associated with the application of the retention of title – proprietary are paid by the Orderer.

VI.Force majeure

1. In case that during the contractual relationship there are a insurmountable, extraordinary, unpredictable obstacles that are beyond the control of any party, which would temporarily or permanently prevented some of the Parties in the fulfillment of the Contract obligations, the Parties are obliged to immediately inform of these obstacles in written form as well as estimated duration thereof and discuss further measures. As of these obstacles the contracting parties understand so called circumstance of Force majeure in particular strike, war, other unrests of a similar nature, trade, monetary, political or other authority measures, natural disasters such as fire, flood, earthquake, lightning, arctic chill etc. preventing or limiting the transport of the Product, also material, components and Product delivery delays not caused by the Contractor, traffic closure or delay, theft of the Product or goods which are part of the Product at the time of the transport, manufacturing equipment breakdown or parts thereof and similar events of Force majeure including decisions or instructions of the competent state authority which will restrict or make impossible the fulfillment of the contractual obligations. Contracting Party at which the events of Force majeure occurred is not liable for failure to perform the obligations under the Contract or any resulting delay.
2. If the obstruction due to Force majeure continues for a period not exceeding 30 calendar days, the Contracting Parties are obliged to fulfill Their obligations under the Contract and once the effects of the Force majeure passes away, the delivery and all other deadlines are postponed for a period of Force majeure effect. If the obstacle of the Force majeure lasts more than 30 calendar days, each of the Parties may withdraw from the Contract.

VII. Faulty fulfilment rights – complaint

1. The Contractor is obliged to deliver the Product in agreed quality, quantity, weight and design according to the technical specifications set out in the Contract, technical terms or in any other document agreed by the Parties. This is not a defect in fulfilment and the Product shall be deemed duly delivered if the amount (weight) or the quality of the delivered goods corresponds to the permissible tolerance deviations arising from the Contract, GCBD, technical terms, operative rule or any other mandatory statute.
2. The Orderer is obliged view the Product and to ascertain its properties and the amount immediately after delivery.
3. The Contractor provides the Orderer with a guarantee for the quality of the Product for a period of 12 months from the date of delivery of the Product, unless the Contract states other length of the warranty period.
4. Obvious defects of the Product, that could be detected by inspection at the delivery of the Product, the Orderer is obliged to notify without any undue delay, within 15 days after the delivery of the Product. The Orderer is obliged to inform the Contractor of any other defects of the Product, immediately after their discovery but no later than the end of the agreed warranty period.
5. All claims of defects of the Product must be in writing form and must contain identification data of the claimed delivery (Contract number, date of delivery, transport document number, invoice number, etc.), a description of the defects and substantiate evidence of the defects. The Orderer is obliged to allow the Contractor access to the Product under complaint, to verify the legitimacy of the claim.
6. If technically possible, the Orderer is obliged to provide separate storage of the claimed Product and/or to prevent access to the same by third parties, until the date of settlement of the claim. Unrestricted treatment with the Product, which will make it difficult or impossible for a complaint procedure, is unallowable without a prior consent of the Contractor. If the Orderer violates the above responsibilities and also does not allow the Contractor to ascertain the existence of the defect (s), or will not allow access to the place where the Product is located or to the Product as such, fails to provide the Contractor at its request with samples of the Product action, or fails to deliver within the period specified by the Contractor in its opinion on the complaint sufficient evidence, so the Contractor could be able to quantify a reasonable discount on the price of the Product; these facts are causing a rejection of the claim and also loss of Orderes right from the defects of the delivered Product.
7. Immediately after receiving the complaint from the Orderer, the Contractor is required to initiate a complaints investigation and to notify the Orderer of its opinion on the complaint, within 30 days from the date of receipt of the complaint. In case of justified complaints of the Product the Contractor is obligated to Their choice, to provide a discount on the price of the Product or implement new free from defects Product under the original terms or remove the defects within the agreed period. The Contractor will inform the Orderer with their choice of the above, together with the notification of their opinion to the complaint.
8. Claim defects of the Product does not entitle the Orderer to suspend (hold) the payment of the price of the Product or refuse to accept further deliveries of the same. The Orderers claims of defects of the Product cease, if the same does not notifies the Contractor of the defect within the agreed timescales and agreed manner.
9. The Contractor is not liable for defects of the Product caused by abrasion by normal use or such use of the Product which is at variance with the purpose of the Contract or documentation relating to the Product.

10. In case that a damage will be caused to the Orderer due to the breach of any obligations of the Contractor under the Contract (e.g. consequence of defective Product delivery), without there being given circumstances of Force majeure excluding a liability of the Contractor, the Contractor will be bound to reimburse only the actual, demonstrably incurred property damage quantified by the Orderer, but not for compensation for loss of earnings and up to the amount corresponding to 100% (one hundred percent) of the total price of the Product.

VIII. Final provisions

1. Any disputes that might arise from this Contract and in connection with it will be solved by the parties by mutual agreement and by amicable settlement. If no agreement of the parties to amicably resolve this dispute is achieved, it is up to the Arbitration Court at the Economic Chamber of the Czech Republic and Agricultural Chamber of the Czech Republic in Prague, under its Rules to make a judicial decision with effective validity, with one arbitrator appointed in accordance with these Rules. The Contracting Parties undertake to comply with all obligations imposed in the arbitration within the time limits laid down therein. The arbitration ruling recommended to both Parties is enforceable power of distress.
2. The Orderer took upon the danger of a change of circumstances after the closure of the Contract and is therefore not entitled to the rights referred to in § 1765, paragraph 1 of Law no. 89/2012 Coll., The Civil Code, as amended.
3. Legal relations arising from the Contract or in connection with it, as well as issues unaddressed in GCBD will be governed by Czech substantive law, in particular the provisions of Law No. 89/2012 Coll., The Civil Code, as amended.

These General Business and Delivery Conditions become valid on January 1, 2014