

# GENERAL TERMS AND CONDITIONS

## 1. INTRODUCTORY PROVISIONS

- 1.1. These General Terms and Conditions (hereinafter “**Terms and Conditions**“) set out the mutual rights and obligations arising on the basis of or in connection with Purchase Contracts concluded between the commercial company ASSCO, s.r.o., Identification Number: 411 86 745, registered office Vazová 2143, Uherský Brod, Post Code 688 01; the company is entered in the Commercial Register maintained by the Regional Court in Brno, section C, insert 98010 (hereinafter “**ASSCO**“) on the Seller’s side, and third parties on the Buyer’s side (hereinafter “**Buyer**“).
- 1.2. Within the meaning of the previous point of these Terms and Conditions, third parties are understood to mean exclusively natural and legal persons who fulfil the definition of a business entity in the sense of the provision of § 420 et seq. of Act no. 89/2012 Coll., of the Civil Code, as amended. These Terms and Conditions thus apply exclusively to legal relationships between ASSCO and the business entity.
- 1.3. Differing provisions in the Contract take precedence over these Terms and Conditions, while these Terms and Conditions take precedence over provisions of the law that are not of a coercive nature.

## 2. CONCLUSION OF THE CONTRACT

- 2.1. The Contract is created on the basis of the Buyer’s order, submitted in writing to ASSCO’s registered office or by e-mail to ASSCO’s contact address as set forth on the ASSCO website at [www.asscorecycling.cz](http://www.asscorecycling.cz), with a written confirmation of the given order by ASSCO (a confirmation sent by e-mail is also considered written confirmation). In the order, the Buyer is obliged to include (i) their identification details, (ii) type of goods requested, (iii) quantity of goods requested, (iv) required delivery date and (v) requirements regarding the manner in which the goods are packaged.
- 2.2. Changes performed by ASSCO in the Buyer’s order do not constitute the creation of a Contract; in that case, such changes are considered a proposal to conclude a Contract presented by ASSCO to the Buyer, and the Contract is only created upon the Buyer’s confirmation, who agrees with the changes performed in the original order.
- 2.3. Until the Buyer receives a written confirmation of their order from ASSCO, they can withdraw (cancel) their order. A withdrawal can also be made telephonically, and subsequently confirmed in writing without undue delay.
- 2.4. All offers made by ASSCO are valid for a period of thirty (30) days from the day on which they were made.

## 3. PAYMENT TERMS

- 3.1. The price of the goods is paid against a tax document – invoice issued by ASSCO. The invoice is issued after the goods are delivered, whereby, for the purposes of this provision of the GTC, delivery is understood to mean the time of receipt of the goods by the Buyer or their carrier. The deadline for the issuance of the invoice by ASSCO is fifteen (15) calendar days from the day of delivery of the goods.
- 3.2. All tax documents issued by ASSCO contain all the requisites of tax documents in accordance with the relevant legal regulations.

- 3.3. The prices of the goods set forth in the specific Subcontract or order confirmation do not include VAT, or other taxes or customs duties; these shall be added to the price of the goods in accordance with the relevant legal regulations. The price of the goods includes the costs of the standard packaging of the goods. If the Buyer requires a non-standard method of packaging the goods, then the price of the given packaging shall be added to the total purchase price of the goods.
- 3.4. ASSCO is a payer of Value Added Tax.
- 3.5. The due payment date of individual invoices is always fourteen (14) calendar days from the day of their issuance.

#### **4. DELIVERY CONDITIONS**

- 4.1. The date of delivery of the goods set forth in the confirmation of the Buyer's order by ASSCO is considered binding.
- 4.2. Under circumstances lying outside ASSCO's sphere of influence and arising independently of ASSCO's will (so-called instances of force majeure), ASSCO may postpone the dispatch of the goods to the Buyer until such an instance of force majeure ceases. Such a case does not constitute a delay on ASSCO's part with the delivery of the goods, and the Buyer is not entitled to demand compensation for damage or withdraw from the concluded Contract. ASSCO is obliged to inform the Buyer of all such cases in a reasonable manner, and to the best of its ability.
- 4.3. If the Buyer requests a postponement of the dispatch of the goods, or if the dispatch of the goods is postponed due to reasons on the Buyer's part compared to the date of dispatch of the goods as per the concluded Contract, then ASSCO is entitled to charge a storage fee of 0.2% of the total purchase price of the goods, up to a total amount of 20% of the total purchase price of the goods, commencing on the thirty first (31st ) day after the date of the agreed dispatch of the goods.
- 4.4. If the Buyer is in delay with taking receipt of the goods, then ASSCO shall send the Buyer a written invitation to take receipt of the given goods. If the Buyer fails to take receipt of the goods even within thirty (30) days from the day of delivery of this written invitation, then (i) the Buyer is obliged to pay ASSCO a contractual fine of 15% of the purchase price, and (ii) after a further fifteen (15) days, ASSCO is entitled to dispose of the goods, including resell them, at its own discretion.
- 4.5. Partial deliveries of goods are permissible, unless explicitly agreed otherwise.
- 4.6. Unless explicitly agreed otherwise, the delivery condition of EXW (Uherský Brod, Vazová 2143, Czech Republic) INCOTERMS 2020 shall apply. In that case, the risk of damage to transported goods is born by the Buyer, and if the Buyer uses a third party (carrier) to transport the goods, then the Buyer is obliged to issue this carrier with appropriate instructions regarding the transport of the goods, including their securing during transport.
- 4.7. ASSCO reserves the right to change or modify the colour sample books of the sold goods, including colour shades and the colouring agents used to dye the goods, at any time. If there is a longer time lag between the conclusion of the Contract between ASSCO and the Buyer, and the expected date of delivery of the goods, then ASSCO cannot guarantee that the ordered colour of the goods shall be identical to the delivered colour of the goods. If such a fact occurs, then ASSCO undertakes to inform the Buyer of it in an appropriate manner.

#### **5. RESERVATION OF OWNERSHIP, RISK OF DAMAGE TO ITEM**

- 5.1. The ownership right to the goods is transferred to the Buyer upon the full payment of the purchase price of the given goods. If the payment for the goods takes place in the form of a cashless transfer,

then the day of payment of the price of the goods is considered the day that the relevant amount of the purchase price was credited to ASSCO's bank account.

- 5.2. The risk of damage to the item is transferred to the Buyer upon the receipt of the goods by the Buyer; if ASSCO is obliged to hand over the goods to the Buyer's carrier in a specific location, then the risk of damage to the item is transferred to the Buyer upon the handover of these goods to the Buyer's relevant carrier. For the purposes of this provision of the Terms and Conditions, carrier is understood to mean the first carrier for the transport of the goods to the destination (for cases where the Buyer uses multiple successive carriers to transport the goods to the destination).
- 5.3. If the Buyer fails to take receipt of the goods in time as per the concluded Contract, then the risk of damage to the item is transferred to the Buyer at the time when ASSCO enabled the Buyer to handle the goods which the Buyer failed to take receipt of in conflict with the concluded Contract.
- 5.4. Damage to the goods which took place after the transfer of the risk to the item (i.e. the goods) to the Buyer does not free the Buyer from the obligation to pay ASSCO the purchase price of the goods.

## **6. LIABILITY FOR DEFECTS, WARRANTY**

- 6.1. ASSCO provides a quality warranty for the goods for a period of twenty four (24) months, with the warranty period commencing the first day following the day on which the goods in question were delivered to the Buyer. The quality warranty guarantees that, for the warranty period, the delivered goods shall be fit for use for the agreed or otherwise customary purpose, or that they shall retain their agreed or otherwise customary properties.
- 6.2. The tax document – invoice issued by ASSCO is also the warranty certificate for the delivered goods.
- 6.3. ASSCO is responsible for ensuring that the delivered goods match the specification set forth in the technical certificates for the given goods.
- 6.4. The Buyer is obliged to observe and follows all instructions issued by ASSCO regarding handling and storage. The instructions and technical specifications relating to the goods are set forth in the Contract concluded between ASSCO and the Buyer and/or the technical certificates and/or instructions demonstrably communicated by ASSCO to the Buyer.
- 6.5. The Buyer is aware that, even if the storage conditions are fulfilled, it is not possible to guarantee, for all types of goods (particularly gritting mixtures for sports grounds) that their consistency shall not change in the case of longer storage in the supplied packaging. ASSCO also undertakes to inform the Buyer of this fact. Such a change in consistency is not considered a defect.
- 6.6. The warranty does not apply to:
  - 6.6.1.1. defects in the goods arising due to incorrect handling, storage, stowage, placement, assembly or use of the goods;
  - 6.6.1.2. defects in the goods arising from assembly, storage, stowage, placement or use of the goods in conflict with ASSCO's instructions regarding the assembly and use of the goods, and/or the technical certificates for the goods;
  - 6.6.1.3. defects in the goods arising due to the placement of the goods on incorrectly prepared granulate base or unsuitable bedrock;
  - 6.6.1.4. defects in the form of the surface wear and tear of the goods as a result of the normal use of the goods and ageing of the material and/or arising due to unsuitable climatic conditions;
  - 6.6.1.5. defects in the goods consisting of changes in the colour of the goods as a result of exposure to ultraviolet radiation and climatic or weather conditions;

- 6.6.1.6. defects in the goods caused by the use of unsuitable chemical cleaning agents;
  - 6.6.1.7. defects in the goods which originated in the mechanical damage of the goods by the Buyer or third parties;
  - 6.6.1.8. defects in the goods which originated in inexperienced or incorrectly performed repairs of the goods, if these repairs were not performed directly by ASSCO;
  - 6.6.1.9. defects in the goods arising from an excessive loading of the surface, or due to biological factors (mould, fungi etc.)
- 6.7. ASSCO explicitly declares that changes in the colour of the goods, or mechanical damage caused by normal use or the ageing of the material, cannot be considered defects in the goods as such, whereby these facts have no effect on the functional properties of the goods or their further use.
- 6.8. If the goods supplied by ASSCO do not correspond, in terms of their quantity, quality, design and packaging, to the conditions as per the concluded Contract, then these goods are effective. Evident defects in the goods must be reported by the Buyer to ASSCO without undue delay, but no later than seven (7) calendar days from the day of receipt of the goods by the Buyer, or delivery of the goods to the Buyer by their carrier, in the form of a written complaint. Upon the delivery of the goods, the Buyer is obliged to perform an inspection of same, which by its nature, scope, and expended effort must correspond to the nature of the delivered goods. Defects detectable during such an inspection are always considered evident defects. The Buyer must sufficiently demonstrate the reported defects, in particular by the procurement and delivery of digital photographs of the goods in question. If the Buyer's complaint consists of alleged defects in the material of the goods, then the Buyer is obliged to deliver a sample of the goods in question to ASSCO. The Buyer must take the test sample from the delivered goods (original packaging); test samples from goods that have already been used shall not be considered demonstrable due to the inability to exclude the contamination of the goods by other substances. If ASSCO issues the Buyer with specific instructions regarding the procurement of the sample (including the method of its procurement, sample quantity etc.), then the Buyer must follow these instructions from ASSCO so that their complaint can be settled. The Buyer is obliged to deliver the sample to ASSCO at their own expense (if the complaint is accepted, ASSCO undertakes to reimburse the Buyer for the cost of transporting the sample). If ASSCO requests a personal inspection of the goods in question, then the Buyer must allow such an inspection. ASSCO is obliged to have the test sample taken by the Buyer from the delivered goods tested in a certified laboratory, whereby the subject of the testing can be all of the parameters of the goods declared by ASSCO (in particular density, granulometry, purity of material, presence of other substances etc.); the Buyer shall be informed of the test results, without undue delay, after their receipt.
- 6.9. The Buyer is obliged to store the goods that are the subject of the complaint separately from other goods, and to not handle the goods in a manner than could hinder or prevent an inspection of the reported defects by ASSCO. ASSCO undertakes to settle the complaint within thirty (30) days from the day of receipt of the written complaint from the Buyer. If the complaint is accepted by ASSCO, then the Buyer must return the goods that are the subject of the complaint in their original packaging; partial complaints involving individual packages of the goods are not permissible;

## **7. WITHDRAWAL FROM THE CONTRACT**

- 7.1. ASSCO or the Buyer are entitled to withdraw from the Contract, with the exception of the other cases stipulated by these Terms and Conditions, if the other Contracting Party commits a significant breach

of the obligations arising from them from the concluded Contract. Such a significant breach of contractual obligations is considered to be, in particular:

7.1.1.1. delay by the Buyer with the payment of the purchase price or part thereof as per the concluded Contract of more than thirty (30) consecutive calendar days;

7.1.1.2. delay by ASSCO with the delivery of the goods of more than thirty (30) consecutive calendar days;

7.1.1.3. delay by the Buyer with taking receipt of the goods of more than thirty (30) consecutive calendar days;

7.2. The relevant Contracting Party is also entitled to withdraw from the concluded Contract if (i) the other Contracting Party files an insolvency motion against itself in the position of debtor within the meaning of the provision of § 98 of Act no. 182/2006 Coll., on Bankruptcy and Settlement, as amended (hereinafter "**Insolvency Act**"), (ii) an Insolvency Court does not rule on an insolvency motion filed against the other Contracting Party by a third party within three (3) months from the day of commencement of the relevant insolvency proceedings, (iii) an Insolvency Court rules on a filed insolvency motion by declaring the other Contracting Party bankrupt, (iv) an Insolvency Court rejects an insolvency motion due to the other Contracting Party having insufficient assets or (v) a ruling is made that leads to the dissolution of the other Contracting Party (whether with or without liquidation); the dissolution of the other Contracting Party does not apply to cases of company transformations.

7.3. If one Contracting Party provided the other Contracting Party with an additional time period for the fulfilment of any of the contractual obligations with which the relevant Contracting Party is in delay, then a withdrawal from the Contract does not occur, even if the entitled Contracting Party informs the obligated Contracting Party that it shall not extend the granted time period.

7.4. Withdrawal from the Contract must be made in written form, and is effective as soon as the other Contracting Party is notified of the withdrawal. For the purposes of this provision, an exchange of electronic messages is not considered written form. If doubts arise between the Contracting Parties regarding the day of delivery of the notification of withdrawal, then the day of delivery is considered to be the third calendar day following the day on which the notification of withdrawal was demonstrably sent to the other Contracting Party.

7.5. If a withdrawal occurs, whether by ASSCO or by the Buyer, then all of ASSCO's obligations arising from any concluded clauses regarding exclusivity or exclusive sales cease to be valid and effective in relation to the given Buyer.

## **8. FINAL PROVISIONS**

8.1. The legal relationships arising from contracts concluded between ASSCO and the Buyer, to which these Terms and Conditions apply, are governed by the Legal Code of the Czech Republic.

8.2. ASSCO declares that it complies with all obligations arising from Act no. 477/2001 Coll., on Packaging, as amended.

8.3. These Terms and Conditions come into effect on 01/03/2021.