



## General Conditions of Sale

### 1 GENERAL PROVISIONS, SCOPE OF APPLICATION

- 1.1 The following General Conditions of Sale are an integral part of our offers, order confirmations and deliveries. They shall apply exclusively and even if Buyer objects to our General Conditions of Sale or if Buyer takes its own conditions of sale as a basis for its order or if we, being aware of conditions of the Customer conflicting with or deviating from our General Conditions of Sale, effect a delivery to the Buyer without any reservation.
- 1.2 All agreements between the Customer and KES - kabelové a elektrické systémy, spol. s r.o. concerning the performance of the contract shall be made in writing.
- 1.3 The Contract means the Contract between the KES and the Buyer for the sale of the goods of which these conditions form part. The Goods means the goods to be supplied by the KES under these Contract terms.

### 2 OFFER, ORDER CONFIRMATION

- 2.1 For all orders our written order confirmation along with these General Conditions of Sale shall be required and/or decisive.
- 2.2 Entitlement to delivery shall only exist if we have confirmed such delivery in writing with regards to goods, type, delivery time, and price.
- 2.3 If a Buyer declines an order confirmed by us in whole or in part, it must compensate us for all damages (goods, material deadstock etc.) including any lost profit unless mandatory legal provisions expressly provide otherwise.
- 2.4 KES retain ownership and copyright for all offers and estimates of cost issued by us as well as for all drawings, samples, components, models, tools, calculations and other documents and auxiliary means made available to the Buyer. Buyer shall not make these objects available themselves or with regards to content to third parties, disclose them, use them directly or through third parties or reproduce them without our express consent. Upon our request the Customer shall return these objects to us in whole and destroy any copies made.

### 3 PRICES, PPAP (COST FOR DRAWING & DOCUMENTATION), CHANGES

- 3.1 Prices are calculated on the basis of the production costs applicable at the time of calculation. We reserve the right to adjust prices to any possible changes at the request of the Buyer and agreed by the KES in costs.
- 3.2 Prices shall be valid on the basis of the metal bases indicated in the offers and are exclusive of VAT, which is shown separately in every invoice date of dispatch and will be subject to Value Added Tax and any other duty or tax applicable.
- 3.3 Our prices for product (wires harnesses, components, materials) are considered according to „FCA Vratimov 1 “Incoterm 2010.
- 3.4 Cost for drawing & documentation PPAP Level 1- 300 EUR, PPAP Level 2- 900 EUR, PPAP Level 3- 1.800 EUR.
- 3.5 Unless otherwise agreed, KES will charge any change requested by the Buyer with a fee of:
  - a) 150 EUR before PPAP
  - b) 300 EUR after PPAP

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As of: January 2019



#### 4 PAYMENT

- 4.1 Unless agreed upon otherwise, all invoices are payable net without any deduction within 30 days from acceptance of our delivery. For accepting deliveries shall be considered a situation where KES proven to deliver and the buyer fails to unduly or unreasonably fails to confirm delivery of the consignment.
- 4.2 KES shall have the right to suspend all further deliveries until payments by the Buyer are brought into line with these Terms and Conditions.

#### 5 DELIVERY PERIOD

- 5.1 Delivery of goods will take place as specifically agreed in writing between the KES and the Buyer and risk will pass to the Buyer in line with Incoterm 2010 agreement.
- 5.2 Standard delivery period for serial parts is 4 weeks from KES written order confirmation.
- 5.3 Delivery period for aftermarket parts will be confirmed always separately based on agreed MOQ and & component lead time.
- 5.4 KES is entitled to partial deliveries before expiration of the agreed delivery period if such partial delivery is agreed with the Buyer. Delivery of remaining goods ordered must be ensured.
- 5.5 The delivery period is deemed fulfilled if the goods have left the factory or the warehouse within the delivery period. If shipment or collection is delayed for reasons beyond our control, the delivery period shall be deemed met if readiness for shipment is notified within the period agreed.
- 5.6 If we default on a delivery for reasons for which we are responsible, legal liability shall apply in the event that the delay is based upon intent or gross negligence or if it represents a grave breach of duty; in the event of negligent breach of duty, liability shall be limited to the damage foreseeable in each case.
- 5.7 If the Buyer causes a delay in delivery or shipment, we shall be entitled to charge it for the additional costs incurred, subject to proof of higher or lower storage costs in any case a storage fee of 1,0% of the price of the objects of delivery for each full week of storage, at the most, however, a total of 10% of the price of the objects of delivery.

#### 6 TITLE

- 6.1 Title to the goods will pass to the Buyer when full payment for the goods has been made to the KES.

#### 7 SPECIFICATIONS

- 7.1 KES reserves the right to make any changes in the specification of any goods within the admissible tolerances and if required to conform any applicable safety or other statutory requirements.
- 7.2 Where goods are manufactured in accordance with information or drawings supplied by the Buyer or to its design or specification or where standard goods of the KES are altered in accordance with the Buyers instructions then, without prejudice to any other Contract Terms, no guarantee is given by the KES as to the practicality, efficiency, safety or otherwise of the goods. In addition the Buyer will indemnify KES against any such goods infringing any intellectual



property, patents, registered designs and copyright or the provision of any statute, statutory instrument or regulation.

## 8 WARRANTY AGAINST DEFECTS, LIABILITY

- 8.1 The products are manufactured according to the instructions known to us at the time of manufacture unless, in special cases, otherwise agreed in advance in writing. Liability for technical amendments required by the Buyer after written confirmation of the order and any damages resulting therefrom shall be borne by the Buyer.
- 8.2 The KES warrants that the Goods shall at the time of delivery to the Buyer be free from defects in workmanship and materials. If any of the Goods do not conform to that warranty than KES will at its option
- a) Replace such Goods found not to conform to the warranty
  - b) Or take such steps as the Buyer deems necessary to bring the Goods into a state where they are free from such defects
- 8.3 In no event shall the liability of the KES exceed the purchase price of the defective Goods and the performance of either one of the above options shall constitute the entire discharge of the KES liability under this warranty.
- 8.4 KES shall be under no liability in respect of any defect arising from fair wear and tear wilful damage abnormal working conditions failure to follow the KES instructions misuse alteration or repair of the Goods without the KES approval.
- 8.5 A delivery is deemed approved if in the event of recognizable defects we do not receive a written notification of defects from the Buyer within five working days from delivery.
- 8.6 The warranty period is 12 months, commencing with the delivery of goods. Claims for damages shall become time barred within the above written period.

## 9 FORCE MAJEURE

- 9.1 Neither party shall be liable for any delay in performance caused by circumstances beyond its reasonable control nor shall the party in delay be entitled to a reasonable extension of time for performance.

## 10 TERMINATION

- 10.1 KES shall have the right to suspend or terminate the contract partially or entirely by notice forthwith if the Buyer fails to comply with any of its obligations or shall be put into liquidation or have an administrative receiver or a receiver appointed of its assets or undertaking or of any part thereof or an administrative order made in respect of it.

## 11 PLACE OF JURISDICTION, CHOICE OF LAW

- 11.1 The exclusive place of jurisdiction for all claims and disputes directly or indirectly arising from the contractual relationship shall be governed by The District Court in Frýdek-Místek or the Regional Court in Ostrava.
- 11.2 Our entire business relationship with the Buyer shall be exclusively governed by the laws of the Czech Republic.

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