

General Terms and Conditions of Ray Service, a.s.**Article I.****Introductory Provisions and Validity of the General Terms and Conditions**

1. The company Ray Service, a.s., with its registered office at Huštěnovská 2022, 686 03 Staré Město, company ID No.: 277 56 203, registered in the Commercial Register maintained by the Regional Court in Brno, Section B, File 5165 (hereinafter the "Supplier" or „Ray Service“), issues these General Terms and Conditions (hereinafter the "GT&C"), which govern mutual contractual obligations arising between Ray Service, a.s. and the Customer. These GT&C shall apply to any and all above mentioned contractual obligations between Ray Service, as the supplier of good or services, and the Customer, unless agreed otherwise in writing in each particular case.
2. Any other terms or arrangements, in particular general terms and conditions of the Customer, shall not apply to the relationship with the Supplier, even in case the Supplier has been aware of such terms and conditions. The Supplier needn't expressly disagree with the terms and conditions of the Customer; delivering the goods to the Customer does not imply consent to the Customer's terms and conditions.
3. These GT&C shall apply to any and all future transactions between the Supplier and Customer, without having to refer to these GT&C again in each individual case.
4. The Supplier reserves the right to amend these GT&C, about which it shall inform its Customers in writing or on its website. Any changes and amendments to these GT&C become effective if the Customer does not express its disapproval within two weeks from the receipt of the written notice of amendment of the GT&C.

Article II.**Order and Manner of Entering into Contractual Relationship, Purchase Contract or Contract for Work**

1. The Customer can enter with the Supplier into a contractual relationship, conclude purchase or other contract in writing (letter, e-mail, fax) or, as the case may be, orally (over the phone or during a personal meeting). However, the oral form of a contract conclusion requires subsequent written confirmation. For this purpose, the written form shall mean electronic communication maintained in a demonstrable chronological order and preventing unauthorised interference with it.
2. Receipt of the Customer's order must be confirmed by the Supplier in writing. An unconfirmed order is not binding on the Supplier in any way. Supplier's inactivity does not cause neither establish acceptance or confirmation of the order. For this purpose, the written form shall mean electronic

communication maintained in a demonstrable chronological order and preventing unauthorised interference with it.

3. Upon receipt of the Customer's order, the Supplier shall review feasibility of the order execution in the required deadlines. In case the Supplier's performance is possible, the Supplier shall provide a written confirmation of an acceptance of the order. For this purpose, the written form shall mean electronic communication maintained in a demonstrable chronological order and preventing unauthorised interference with it.
4. The contract between the Supplier and Customer is concluded on the day of receipt of a written/electronic confirmation of acceptance of the order.
5. The order of the Customer must include at least:
 - a) Identification number of the Customer – company's business name or name and surname, registered office or place of business, identification number, tax identification number
 - b) Specification of the ordered goods – type, design, catalogue designation, quantity
 - c) Delivery date of goods
 - d) Manner of delivery of goods
 - e) Place of delivery of goods
 - f) Identification of a person authorised to act on behalf of the Customer in respect of the order and subsequently the purchase contract, including contact details of this person.
6. The specification of the ordered goods indicated in the order is binding, decisive and based on this specification a confirmation of acceptance of the order is issued or, as the case may be, the purchase contract is concluded.
7. Any specific requirements of the Customer concerning in particular, but not limited to, packaging, manner of delivery, quality, certificates or technical specification must be explicitly stated in the order.
8. If the Supplier is not able to accept the Customer's conditions and thus cannot accept the order, either in whole or in part, it will propose the relevant changes to the order and discuss them with the Customer in writing or over the phone. In case the parties subsequently come to an agreement, the Supplier will issue a confirmation of acceptance of the order reflecting the agreed changes. If the negotiations with the Customer do not lead to a mutual agreement, the Customer is entitled to cancel the order or the Supplier is entitled to refuse the delivery. However, a simple lack of acceptance of such order by the Supplier means that no contractual relationship has been established.
9. After the contract is concluded, both the Supplier and Customer can suggest an amendment to the contract. The amendment to the contract can be agreed also orally or

over the telephone, however in any case the amended order must be again confirmed. By receipt of the confirmation of the amendment to the order, the amendment to the original contract becomes effective.

10. In case the Customer suggests an amendment to the contract, the Supplier shall provide its statement to the suggested amendments within 5 business days from the receipt of the proposal.
11. In case the Supplier suggests an amendment to the contract, such amendment will be discussed with the Customer immediately, by telephone or by electronic mail.

Article III. Terms of Delivery

1. Unless agreed otherwise, the goods shall be delivered by a contractual carrier of the Supplier.
2. The Customer is obliged to check the consignment immediately upon takeover, in particular it is obliged to check that the goods conform to the order as regards quantity, type and quality.
3. The Customer is obliged to inspect and check the delivered goods upon takeover; in case of apparent damage to the packaging of the goods, it shall lodge a complaint regarding such damage and possible losses at the carrier and Supplier. The extent and damage or partial loss of the consignment must be recorded in the "Record of Damage" immediately. Further handling of the consignment shall be done pursuant to the Supplier's instructions. The record of damage is not considered to be a lodged complaint.
4. If the damage to or partial loss of the content of the consignment is not apparent upon its handover and takeover by the Customer, the Customer is obliged to notify the Supplier of the damage without undue delay after the damage was detected, but at the latest within 3 business days from the delivery of the consignment.

Article IV. Delivery Period

1. The delivery period shall be confirmed by the Supplier for a specific agreed calendar week.
2. Delivery within the week immediately following the originally agreed week is considered to be a due delivery within the delivery period, therefore there is no reason for a change of the contract.
3. The period for delivery of the goods shall commence on the date of conclusion of the purchase contract, unless agreed otherwise in the particular purchase contract.

4. If it ensues from the Customer's requirements that it requires the delivery of the goods "immediately", it means delivery within 5 business days from the conclusion of the purchase contract, unless agreed otherwise.
5. The Supplier is entitled to perform even before the agreed date, unless agreed otherwise.

Article V. Delivered Quantity

1. Unless agreed otherwise in the contract, the subject the contract may be also partially fulfilled.
2. Based on the manner and method of determining and verifying the delivered quantity of goods, the goods may be divided into the following categories:
 - a) Quantity of goods (products) is indicated in pieces (sets) and it can be determined absolutely precisely by counting (e.g. number of cable harnesses, moulded parts, connectors, etc.).
 - b) Quantity of goods is stated in pieces and it can be determined absolutely accurately by counting, however such process would be too lengthy. Indirect weight-based methods shall be used for counting (e.g. number of wire solder splices and crimp splices packed in sets of by more than 100 pieces, number of individually sold contacts of connectors, number of tubing sold in pre-cut lengths, etc.).
 - c) Quantity of goods is indicated in length measures and it can only be measured with a certain accuracy depending in the used gauge and method of measurement (e.g. quantity of isolation tubing, wires and cables).
3. With respect to the above specified categories, the delivery shall be considered complete if the Supplier delivered:
 - a) 100 % or more than 100 % of the contractual quantity of goods of category a),
 - b) 98 % or more than 98 % of the contractual quantity of goods of categories b) and c).
 - c) If cutting of the goods is a part of the delivery (e.g. cutting of tubing and wires to the required length) and unless stipulated in the contract otherwise, the lengths of the individual pieces must be within the following tolerances:
 - a) +/- 1 mm of lengths up to 20 mm.
 - b) +/- 2 mm of lengths from 20 to 100 mm.
 - c) +/- 3 % of the required quantity for lengths above 100 mm.

**Article VI.
Quality of Goods**

1. The Supplier has introduced certified quality management system in accordance with the standard AS 9100. Within this system, the quality control organisation is ensured so that the sold goods comply with the agreed specifications, or, as the case may be, material sheets, catalogue data and other relevant standards and regulations.
2. Upon request of the Customer, the Supplier can issue a document "Certificate of Quality" in accordance with EN 10204, 2.1.

**Article VII.
Price**

1. If the Customer does not specify a price in the order, it is assumed that the Supplier will determine the price as follows:
 - a) The price is determined in accordance with the last valid offer to the Customer.
 - b) If no such offer has been made, the price is determined in accordance with the valid price list and quantity of the ordered items, if there is a framework agreement between the Customer and Supplier then the relevant provisions on the conditions of providing discounts shall apply.
2. The price of the goods is always and everywhere stated without VAT, unless agreed otherwise in the particular case, it includes the costs of packaging and transportation of the goods to the destination.

**Article VIII.
Payment Conditions**

1. The debtor, buyer, undertakes to pay the agreed purchase price duly and in time.
2. The basis for payment of the contract price (purchase price) shall be the Supplier's invoice.
3. The invoice shall be sent to the Customer electronically to the e-mail address indicated by the Customer, or, as the case may be, by post to the address of its registered office or its place of business, unless another contact address or other means of sending is agreed.
4. The invoice shall be due within 14 days from its issuance, unless agreed otherwise.
5. In case of partial performance, the Supplier is entitled to invoice the aliquot part of the purchase price, including VAT.
6. The relevant payment to the Supplier's account must be designated by a variable symbol, which is the number of the issued invoice.

7. In case of delay of the Customer with payment of the agreed purchase price of the goods, the Supplier is entitled to claim payment of the contractual penalty in the amount of 0.05 % from the due amount per each commenced day of the delay from the due date of the invoice until the amount of the invoiced purchase price is credited to Supplier's account. This is without prejudice to the right to claim damages in connection with the Customer's delay.
8. In case the Supplier has any due receivables towards the Customer, the Supplier is entitled to suspend execution of any other orders until such receivables are settled. The delay in the delivery of goods shall not create any claims on the part of the Customer, in particular the Customer shall not be entitled to damages in connection with the delayed delivery of goods, as well as it is not entitled to claim any sanctions from the Supplier in connection with this suspended delivery caused by the Customer's delay.
9. The parties can agree on advance payment. In such a case, the advance payment shall be paid based on the pro-forma invoice. If an advance payment is agreed, the goods do not have to be delivered before the advance payment is paid. In case of an advance payment or cash payment, the Supplier provides the Customer with a discount in the agreed amount from the invoiced amount excluding VAT.

**Article IX.
Transfer of Title and Risk**

1. The Customer is obliged to immediately inform the Supplier about any potential threat to the Supplier's rights to the goods, which are still in the ownership of the Supplier, in particular about the right of retention of a third party to the goods and other types of restriction of the title of the Supplier. Breach of this obligation by the Customer establishes the Customer's obligation to pay to the Supplier contractual penalty in the amount of 10 % from the unpaid invoiced amount. Payment of the contractual penalty is without prejudice to the potential Supplier's claim to damages.
2. The risk of damage to the goods shall pass to the buyer at the moment the goods are handed over to the first carrier, unless agreed in the particular contract otherwise, e.g. by reference to INCOTERMS.

**Article X.
Force Majeure**

1. For the purpose of this article, the event or circumstances of force majeure shall mean in particular: natural disaster, such as earthquake, fires, floods or extreme weather conditions, further war, armed conflicts, civil unrests, mobilization, embargoes or general strike, or other administrative or state measures, which the participants cannot in any way overcome or influence.
2. In the event that the Supplier is prevented from the delivery by an event of force majeure, the failure to deliver shall not constitute a default of the Supplier.
3. In case an event of force majeure prevents the Supplier from delivery of the goods duly and on time, the stipulated

delivery period shall be prolonged by the period of such event of force majeure.

4. The Supplier shall inform the Customer about the event of force majeure without undue delay after it learned about its occurrence.

Article XI.

Liability for Defects of Goods, Warranty on Goods

1. In case the goods have apparent defects, which the Customer detected or could have detected upon the receipt of the goods, or, as the case may be, hidden defects, the Customer shall proceed in accordance with Article XIII. of these GT&C. In case the claim is not lodged in accordance with the provisions of XIII. of these GT&C, the Supplier is entitled to reject such a claim.
2. The Supplier warrants that the delivered goods are free of any manufacturing or legal defects and that the goods conform to the agreed specifications. The Supplier provides a warranty on goods in the period of 1 year from the date of their dispatch, unless agreed otherwise.
3. The Supplier is liable for damages only up to the amount of the consideration accepted from the Customer.
4. The warranty of the Supplier does not apply to the defects of the goods caused by inappropriate use, incorrect or unprofessional processing, unsuitable handling or storing. The warranty also does not cover other defects of goods caused by the action or omission of the Customer or third parties or, as the case may be, in case the Customer or the third parties contributed to occurrence of such defects.
5. The Supplier does not guarantee any specific warranty on the particular use of the goods or particular purpose, unless agreed otherwise in the particular contract.

Article XII.

Product Liability

1. The Supplier is responsible for the technical specification of the product with respect to its functionality and safety in use; the Customer shall perform the assessment of the product with the relevant technical regulations.
2. The Supplier is not a manufacturer within the meaning of the Act No. 22/1997 Coll., on Technical Requirements of Goods and on Amending and Supplementing Certain Laws, as amended, it does not place the products on the market, does not arrange for conformity and conformity assessment.
3. The supplied product shall only serve as a component of a product of the Customer, purchaser of the goods, unless agreed or stipulated otherwise.

4. The supplied product is in general not intended for separate distribution by the Customer and is not intended for separate or isolated use, however, if it was sold, distributed or otherwise traded individually, the responsible person shall be the Customer, who placed the product on the market.

Article XIII.

Goods Complaint

1. The Customer is entitled to lodge a complaint regarding the goods due to:
 - a) Apparent defect – upon receipt of the goods at the latest
 - b) Hidden defects or defects occurred or detected during the warranty period, if they are covered by the warranty – at any time during the warranty period, but at the latest within 3 days after the defect has occurred or was detected.
2. The Customer undertakes to provide the Supplier with all necessary cooperation when dealing with the complaint, in particular provide the Supplier with all necessary information and documents for the assessment of the claim (for example photo documentation of the defective goods).
3. If the Customer's complaint is assessed as unfounded or unjustified, the Customer undertakes to reimburse the costs incurred to the Supplier due to the complaint.
4. The Customer is obliged to lodge the complaint in writing at the sales department of the Supplier. For this purpose, e-mail is considered a written form. The complaint must include the following data
 - a) Name of the claimed goods,
 - b) Quantity of the claimed goods,
 - c) Description of the defect,
 - d) Circumstances of occurrence and detection of the defect, e.g. manner of processing or use,
 - e) Place and date when the defect was detected by the Customer,
 - f) Number of the delivery note or invoice
 - g) Name and contact details of an employee of the Customer, who lodged the complaint and is authorised to act in this respect.
5. In case the Supplier acknowledges the complaint as justified, the Customer is entitled to claim:
 - a) Free removal of the defect by repair of the goods, if the defect is repairable.
 - b) A new substitute delivery or discount from the purchase price reflecting the difference between the value of the defect-free goods and the value of goods delivered with defects, if the defect is not removable.
 - c) Other ways of settling the complaint subject to agreement with the Supplier.

Upon the delivery of the substitute goods, the Supplier is entitled to demand that the Customer returns the exchanged goods, which were subject of the complaint, in the state in which it was delivered to the Customer, at the Supplier's expense.

**Article XIV.
Technical Requirements**

1. The Supplier reserves the title and intellectual property rights to any and all drawings, technical solutions, patterns, technical descriptions, calculations, designs and other documents which it may provide to the Customer in connection with performance of a contract.
2. The technical documentation may not be disclosed to a third party without a prior written consent of the Supplier or shared or used in any way by the Customer.
3. If the contract is not concluded, the Customer undertakes to return any and all technical documentation back to the Supplier.
4. The technical documentation is intended exclusively for the fulfilment of the contract between the Supplier and Customer. Once the contract is performed, the technical documentation must be immediately returned to the Supplier.

**Article XV.
Confidentiality**

1. The Customer is obliged to maintain confidentiality regarding the content of the contract between the Customer and Supplier, as well as business secret protected by the law. Any documents concerning the performance of the contract, including the contract itself, are considered by the contractor to constitute business secret and are business secret of the Supplier, the Customer thus undertakes to prevent any direct or indirect distribution of information contained in these documents.
2. The confidentiality obligation applies regardless of whether or not the contract has been in the end concluded; the obligation shall apply even after the termination of the contract. The confidentiality obligation applies to information acquired before conclusion and also after termination of the contract.
3. The above stated shall be without prejudice to the statutory provisions concerning the confidentiality and protection of business secret.

**Article XVI.
Final Provisions**

1. If any provision of these GT&C becomes fully or partially invalid, it shall not affect validity of other provisions. In case of invalidity of a particular provision, the parties may agree that a new provision, which comes as close as possible to the original provision as regards its content, shall replace the invalid one. If the parties do not agree on the new wording of the provision, the relevant statutory provisions

of the applicable law of the Czech Republic shall replace such invalid provisions.

2. These General Terms and Conditions form an integral part of the contracts between the Customer and Supplier, unless both contractual parties expressly exclude them in writing.
3. The Customer is not entitled to assign or pledge its receivables, whether or not matured, towards the Supplier. The Supplier would have to explicitly agree to such assignment or pledge. Similarly, the Customer is not entitled to unilaterally set off its receivables towards the Supplier without a prior written consent of the Supplier. The prohibition of assignment and pledge of receivables also applies to the contractual partners, where the contractual partner is not entitled, without prior written consent, to unilateral set-off towards Ray Service, a.s. or a company belonging to the holding of Ray Service, a.s., as well as it is not entitled to assign its receivables towards the entities belonging to holding Ray Service, a.s. without prior written consent of Ray Service, a.s.

**Article XVII.
Governing Law and Jurisdiction**

1. These terms and conditions, all rights and obligations of the contractual parties according to these terms and conditions and the contract, as well as all relationships between the contractual parties established by the contract and these terms and conditions or relating thereto, shall be governed by the laws of the Czech Republic, excluding the conflict of laws provisions of the Czech legislation. The contractual parties explicitly exclude from the relationship established by the contract any application of the United Nations Convention on Contracts for the International Sale of Goods (the so-called Vienna Convention) pursuant to Article 6 of the Vienna Convention and at the same time they choose the laws of the Czech Republic to govern their contractual relationship established by the contract.
2. In the event of a litigation concerning the contract or any relationship established by the contract or concerning the contract, the contractual parties agree that the competent court shall be the court of first instance having territorial jurisdiction in the territory of the Supplier's registered office.

**Article XVIII.
Entry into Force**

1. These General Terms and Conditions enter into force on 1st July 2018.