



IMS-721-01

Dalimilova 285/54 CZ-783 35 Olomouc, Czech Republic
Tel. 00420 585 223 955
abovalve@abovalve.com
www.abovalve.com

GENERAL CONDITIONS OF SALE 2018

I. General

This text is an integral part of every contract of sale, which is on the GENERAL CONDITIONS OF SALE 2018 relates and shall enter into force on the moment of the signature of the general contract of sale or each specific purchase contract.

II. Delivery Conditions

Seller – i.e. the supplier undertakes to deliver to the buyer - the customer, the goods and services listed in the PURCHASE CONTRACT.

Buyer agrees to take over the goods and agrees to pay the purchase price agreed.

Unless the PURCHASE CONTRACT indicates otherwise, the following contractual clauses apply:

1. Testing - Valves will be delivered after the basic tests in accordance with EN, ISO, API, ANSI standards.
2. Accompanying documentation - Valves are supplied with documentation in accordance with EN 10204 standard.
3. Inspection - Requirements for acceptance by the buyer and the manner and extent of its implementation is specified in the PURCHASE CONTRACT.
4. Packaging - Valves will be supplied adequately packaged. The seller will charge a package cost separately.
5. Delivery of goods (delivery performance) - The place of delivery is the seat of the seller. Method of delivery is given as per PURCHASE CONTRACT.
6. Delivery date:

Delivery will be fulfilled by the seller (a chargeable event occurs), according to the following method:

- forwarding the goods to the first public goods carrier (consolidated service, commercial package, business package delivery)
- forwarding the goods to the representative of the buyer at the seller stock (personal collection)
- forwarding the goods to another carrier, which will be ensured by the seller for a buyer.

In the case that in accordance with the PURCHASE CONTRACT, the transport is assured by the seller, the seller will charge this transport separately.

In the case that the personal collection is agreed in the PURCHASE CONTRACT, the buyer shall inform the seller to collect the goods min. 3 days before the dispatching time. If the buyer does not collect the goods within 5 days, the seller asks the buyer in written form (email, letter, fax) to do so. If the buyer does not collect the goods within next 5 days, the delivery is deemed to be fulfilled at the expiry of this period.

III. Subrogation

1. Property right – the buyer has the right to own the goods after the payment of the purchase price, meaning after providing the payment of the last invoice for the complete delivery.
2. The risk of damage - the risk passes to the buyer at the date of completion of delivery (according to Section II).

IV. Warranty terms

1. Warranty - Seller warrants that his products are free from defects in fabrication and material. The warranty period is 24 months, for spare parts only six months from the beginning on the date of delivery.
2. Buyer shall check the delivered goods without undue delay, in particular the quantity (according to original documents).
3. For obvious defects, the buyer is obliged to claim these defects immediately after he has performed the inspection of the goods, but such inspection should be conducted but later than 10 working days after delivery. For an obvious defect is always considered to be a quantitative defect. Later complaints of obvious defects cannot be disregarded.
4. The buyer is obliged to report defects (complains) immediately after the defects are discovered, but no later than by the end of the warranty period. Notification of the defect must be in written form and must be substantiated by documents evidencing the validity of claims. When buyer claims the goods, the seller reserves the right to control the state of the claimed goods on the place of storage. Seller is neither responsible for false handling, use, transport and storage of goods by the buyer, nor for any defects caused by third parties.
5. Claimed goods must be stored separately until the settlement of the complaint and any disposal of the goods, which could make it difficult or impossible to verify the claimed defects, is without the prior consent of the seller inadmissible. Breach of this obligation constitutes the rights for termination of the liability for defects.

V. Prices

1. Price fixing - Purchase price is based on list prices of basic (catalogue) design plus any adjustments from that basic design, as required by the buyer. The prices are understood ex-pace of delivery without packaging. Packaging, postage, freight, other dispatch expenses, insurance, customs as well as the costs of possible return of the goods or of the packing material are at the expense of the buyer.
2. Discounts - The seller provides the buyer with a discount:
 - a) under the terms of the general contract of sale
 - b) according to the specific conditions of the PURCHASE CONTRACT
3. Seller shall be entitled to adjust the prices and conditions to changed circumstances, in particular if
 - a) the Buyer requests changes or additions subsequently;
 - b) (i) the documents and information made available by the Buyer are incomplete or (ii) do not correspond to the actual conditions;
 - c) The underlying conditions for the pricing (in particular monetary parities or material prices) Significantly change between the time of the offer and the agreed date of performance.

VI. Payment Terms

1. Payment - Buyer agrees to pay the purchase price specified in the PURCHASE CONTRACT at the due date to the seller's account. By agreement and consent of the seller, other financial arrangements are also possible, such as assignment of receivables or others. Such agreement must be concluded, as per buyer's initiation, before the indicated maturity of the invoice. Failure of payment

of the amount invoiced during the agreed payment period, shall be constitute a substantial breach of the contract.

2. Penalty for delay in payment - the seller is entitled to penalize the buyer for any delay in providing the payment as per to the agreed maturity date on the invoice in the amount of 0.05% per day of the unpaid amount (except for proforma invoice - not penalized).

VII. Withdrawal from contract

1. Suspension of delivery - The seller is entitled to suspend delivery of goods under PURCHASE CONTRACT in case where the seller has outstanding receivables from the buyer from previous deliveries, to a point whereby a settlement of these obligations takes place. ³/₄ Suspension of delivery does not preclude subsequent withdrawal from the PURCHASE CONTRACT.

2. Penalties for cancelation - if the Buyer withdraws from the contract, the seller has the right to apply to the Buyer a penalty in the following amounts:

- 5% of the order amount if the seller has not begun production or assembly of the ordered quantity,
- 20% of the order amount if the seller has not begun production or assembly of the quantity ordered, but has ordered components,
- 50% of the order amount if the goods are already in the process of production,
- 80% of the order amount if the goods from 80% of the production is finalized
- 100% of the order amount if the goods are being finalized, already produced, ready for packing or already packed for shipment.

Breach of PURCHASE CONTRACT or these GENERAL CONDITIONS OF SALE 2018 constitutes the right of the seller to withdraw from the PURCHASE CONTRACT. The withdrawal from the PURCHASE CONTRACT shall become effective upon the delivery of the written notice by mail, fax or e-mail, or by personal delivery to the Buyer.

VIII. Regulation for the resale of the product

1. Resale - Buyer agrees that until full payment of the invoiced amount is fulfilled, (s)he is not allowed to sell the goods further, neither is (s)he allowed to establish rights to third parties for such goods.

2. Export - The Buyer is entitled to sell goods abroad only with the written consent of the seller.

IX. Force Majeure

Seller is not in default in meeting his obligations if the delay is caused by subcontractors, circumstances of force majeure such as war, natural disasters and other acts of God, strikes, shortages of raw materials and energy or other unforeseeable and unavoidable circumstances that occurred during the execution of the contract and which have prevented fulfilling obligations of seller. The duration of force majeure appropriately extends the deadline for fulfilling the obligations of both parties.

X. Final conditions

1. These GENERAL CONDITIONS OF SALE 2018 are proposed by the seller, and become mandatory for both parties from the date on which the contract is signed by both parties.

2. Conclusion of the Contract shall supersede all prior agreements and correspondence relating to the content of this PURCHASE CONTRACT. A signed contract can be amended only by written agreement from both parties. If no conditions of sale are negotiated, these conditions are always valid. These conditions of sale are valid for all purchases from ABO valve s.r.o. and all ABO daughter companies.

3. Validity of higher laws – Validity is exclusively according to the laws of the Czech Republic (CZ). For items not covered by the Czech Republic legislation, EU Law and directives apply.