

Terms and Conditions of the company TERMS a.s., Department of Energy Systems, Planá 67, 370 01, České Budějovice, hereinafter referred as a "Company"**1. General Terms**

These Terms and Conditions apply for all business relationships between TERMS a.s., Department of Energy Systems and its business partners for all deliveries, services and orders. The Terms and Conditions are agreed upon with the business partner at the time of assignment of the first order and they apply for all future orders even if the Terms and Conditions are not referred to again.

Terms and conditions apply exclusively. Different conditions of the business partner are impossible unless the Company clearly confirms their validity in writing. This applies also in the case that the delivery for the business partner is unconditionally made even if the business partner's conditions are different.

"Goods" represents specifically the components for photovoltaic power plants, meaning photovoltaic modules, cables, inverters, constructions and other installation and connecting material specified in the purchase contract.

The provisions contained in the purchase contract shall take precedence over provisions of these Terms and Conditions. Provisions which are not specified in the Terms and Conditions are the subject of the Commercial Code.

2. Offers, Subject to the contract

- a) The offers, either verbal or written, are always non-binding. Orders become legally binding at the moment when they are confirmed by the Company or performed by the Company upon agreement of the business partner in the appropriate time.
- b) The written confirmation of the order is important for type, size and time of deliveries or services.
- c) With respect to the parameters specified in promotional materials, pictures, drawings and other descriptions related especially to size, colours, constructions and shapes as well as other features, the Company reserves the right for deviations, which do not limit the purpose pursuant to the contract.
- d) Pictures, drawings, size and data about weight as well as other technical values or data do not represent a guarantee of quality or life-span. Guaranteed properties or a guarantee of life-span or quality must be agreed upon separately and in writing.

3. Prices

If the confirmation of the order does not say otherwise, prices include delivery from the factory or warehouse with standard packaging. Prices do not, however, include transport, duty, insurance, assembly, other costs and value-added tax valid on the date of delivery. These items are shown separately on the invoice.

4. Delivery, Transfer of risk

The delivery is made from a factory or from the warehouse at the business partner's expenses and risk, even if the Company agreed delivery without charging transportation or transport by its own means of transport. If not specified differently, the Company shall decide about the means of transport.

Transfer of risks for damage on goods is made upon the handover of goods to the forwarding company or upon loading on its own vehicle for reason of transport to the business partner.

5. Conditions for returns

Returns, meaning return of ordered and delivered goods by the Company is possible only in exceptional cases and only in the case, when the Company agreed in writing.

6. Delivery terms

- a) If the agreed delivery term which is confirmed in writing, is exceeded, the business partner shall set a new adequate substitute term for the Company. If the Company fails to keep the additional term for delivery, the business partner is entitled, upon exclusion of other rights, to withdraw from the contract in the form of a written declaration. If it is only a partial delivery, the right to withdraw from the contract is limited only to this part in the case that the partner is no longer interested in receiving this delivery. If the company is delayed, the business partner is authorized to require the compensation for the damage caused but only in the case that the cause of delay is intentional or due to negligence.
- b) If the delivery or service is delayed due to force majeure or events which significantly hinder or prevent the delivery (e.g. subsequently arisen difficulties with the purchase of material, operation failure, strike, traffic interruptions, lack of staff, lack of means of transport, orders of authorities, etc.), even if these events happen on the side of suppliers or their sub-suppliers. Then the delivery/service can be postponed by the period of duration of force majeure/events and time necessary for commissioning of works or the client can partly or fully withdraw from the contract due to a part of the contract that wasn't fulfilled. If the obstacles last for longer than 3 months, the business partner is authorized to withdraw from the contract due to non-performed part of the contract, and may require a refund of advance payments, if any were made.
- c) If the business partner does not take over all or part of the goods in the confirmed delivery term, the Company is authorized to require a payment of a contractual penalty in the amount of 0.5% of the price for goods for each day of delay. If the business partner does not take over the goods in the substitute term, set by the Company, the Company is authorized to withdraw partly or completely from the contract and require a payment of another contractual penalty in the amount of 15% of the price for uncollected goods. By paying the contractual penalty, the Company's right to claim the compensation for the damage is not affected.

7. Payment terms

- a) Unless agreed upon otherwise, payments are performed immediately after the invoicing date. The Company reserves the right for delivery against the payment in advance; delivery abroad against the irrevocable letter of credit or payment in advance.
- b) Any payments received from the business partner will be automatically applied to an outstanding debt no matter what the payment was intended for - this means appurtenances and finally the due amount of the receivable.
- c) If the business partner is delayed with any payment, the Company is authorized to require payment of the contractual penalty in the amount of 0.05% from the due amount for each day of delay.

8. Retention title

Until the settlement of all receivables resulting from the relationship with the business partner, the rule of retention of title (reserved goods) applies to all delivered goods. The business partner is obliged to keep the reserved goods separately and disclose the information about a place of settlement to the Company upon request.

If a third person has access to the reserved goods, the business partner must clearly notify the third person about the retention of title. In the case that the business partner behaves in non-compliance with the contract, especially when a payment is delayed, the Company can move the reserved goods back at the business partner's expense.

9. Responsibility for defects and complaints

- a) The Company is responsible for defects on goods only in compliance with legal regulations; no other warranties are provided to the business partner, unless agreed upon differently.
- b) The Company is not responsible for defects on goods caused by mechanical damage during transportation, handling, improper storage, wear, intentional damage, negligence, unusual working conditions; failure to keep instructions by the business partner, change or repair of goods without Company's consent.
- c) Clear defects on goods caused by the damage of packaging or surface damage of goods must be claimed immediately after the takeover of the goods by the business partner and a record into the transportation documents or consignment note about it must be made.
- d) The business partner is obliged to file the complaint of defects on goods at the company within the specified period and in writing. The contractual parties have clearly agreed that the Company is obliged to notify the business partner about its standpoint to the claim within 30 days from its receipt. Contractual parties have clearly agreed that in the case of a legitimate complaint, the Company is obliged to repair the goods or deliver new goods (in compliance with the legitimate claim of the business partner in a particular case) within 3 months of the settlement of the complaint, unless both parties agree otherwise.

10. Force majeure

In cases of special circumstances, there may be a temporary release from the responsibility of contractual parties from their contractual obligations (force majeure). These situations specifically are: natural disasters, fire, explosions, outbreak, radiation, wars or other conflicts, occupation, embargo, revolutions, uprising, civil war and acts of terrorism. The party which is prevented from the fulfilment of its obligations must notify the second party without any delay that the circumstances mentioned in this article of the Terms and Conditions set in.

11. Law and court

- a) The decisive law is the Czech Commercial Law, especially Act No. 89/2012 Coll. as amended.
- b) All disputes arising from the purchase contract and in connection with this contract which cannot be removed by negotiations between parties will be decided by a relevant court in České Budějovice.

12. Final provisions

These Terms and Conditions are valid and effective from 1.1.2020. If any provision of the purchase contract or Terms and Conditions is invalid or ineffective, this shall not affect other provisions of the purchase contract or Terms and Conditions.

Contractual parties are obliged to substitute an invalid or ineffective provision by the provision with the same or similar content.

In Planá, date 1.1.2020
TERMS, a.s.