

GENERAL TERMS AND CONDITIONS OF SALE

of the company **PRECISION TUBES EUROPE s.r.o.**, with registered office address Slobody 1, 945 01 Komárno, Slovakia registered in Commercial Register of Slovak republic kept by District Court Nitra, Section: Sro, Insert No.: 29233/N, Reg. number: 46 211 110.

1 Basic terms

- 1.1. These general terms and conditions are based on national law and order of the Slovak republic. These terms regulate relation between the company PRECISION TUBES EUROPE s.r.o. with registered office address Slobody 1, 945 01 Komárno, registered in Commercial Register of Slovak republic kept by District Court Nitra, Section: Sro, Insert No.: 29233/N, Reg. number: 46 211 110, hereinafter referred to as "**Seller**", and its customers hereinafter referred to as "**Buyer**".
- 1.2. The liability relationship begins with contract or order from Buyer accepted by Seller. Parties are allowed to modify or exclude particular terms of these General terms and conditions of sale ("GTCS") by written agreement in contract.
- 1.3. Both parties likewise consider contract as concluded by Seller's confirmation of Buyer's order. This confirmation has to be performed by both parties on all order documents, as signature is for these purposes considered verbal expression of the person signing electronic correspondence, e.g. email, fax and so on. The contract comes in to force also when the Seller delivers goods following Buyer's order and Buyer took over the goods.
- 1.4. Seller reserves the right to invoice a New buyer (i.e. Buyer who did not give any order or have any liability relationship to the specific date) with advance payment of 100 % of supply buying price, which is payable on Seller's account up to 5 workdays of order acceptance for domestic Buyers, and up to 10 workdays of order acceptance for foreign Buyers.
- 1.5. These GTCS are an integral part of every commercial contract and are available for the Buyers on the website: www.precisiontubes.eu. By closing the contract or accepting an order which is linked with these GTCS, both parties accept these GTCS and express will to follow them in commerce relations.

2 Order processing

- 2.1 Buyer orders goods according to offer of the Seller.
- 2.2 Order, its specific modifications and conditions agreement/acceptance is realized always in written form.
- 2.3 According to the Order the Seller issues contract or acceptance of Buyer's order, which both parties confirm with their signatures. At this moment both parties understand the contract as placed.
- 2.4 Price of the Goods is based on the Seller's offer or is negotiated in contract. If there will be some modification of conditions after delivery of the order to the Seller, e.g. buying price, delivery time, and so on, the Seller inform immediately about these facts the Buyer and both parties negotiate the conditions under which will be this contract signed.

3 Goods quality

- 3.1 Supplied goods meets at time of delivery general technical requirements for each specific product type (hereinafter the “standards”). Goods qualification and type of material and dimensional standards defined in contract consider both parties as binding. If the goods ordered by the Buyer are in national standard and this standard is merging international standards, the Seller is permitted to deliver goods likewise in identical international standard.

4 Terms of delivery

- 4.1 Delivery terms, their interpretation, the transition risks, etc. follow INCOTEMRS 2010 rules.
- 4.2 Seller has permission to divide the fulfilment into several partial deliveries.
- 4.3 Seller is allowed to modify quantity of ordered goods with due to its character and shape in which it is produced. This modification is realised in order confirmation or sales contract. It is understood that this quantity adjustment is in range +/- 5% of the total quantity of the item, in other cases is different amount agreed by both parties. In cases when are the flat products delivered in converted weights, by calculation there is used a coefficient, which is prescribed by the relevant standards or by manufacturer of this specific material.
- 4.4 Quantity tolerance of the delivered goods in opposition of confirmed quantity is + / - 5%.
- 4.5 If the Buyer refuses to withdraw ordered and produced goods, while the Seller meets all agreements between Buyer and Seller, the Seller is permitted to cancel the contract and also he is allowed to require contract penalty payment, which is 15% of the purchase price of the rejected goods.

5 Warranty claim

- 5.1 Seller warrants to Buyer that his standard goods are free from defects. In case when some defect appears, the Buyer has the right to claim in written form. Quantity and visible defect claims Buyer within 10 days and invisible defects within 90 days from goods delivery. Prolongation of this period may both parties agree only written.
- 5.2 Claiming shall contain characteristic of claimed goods and amount of defect articles, identification of supply from which the goods originate (delivery form number, invoice number), defect description, draft of claiming solution. Buyer must prove that supply of claimed goods derive from Seller.
- 5.3 Buyer claims only goods characteristics, which are guaranteed in contract or accepted order, quality or dimensional standard, eventually these GTCS at the time of supply. Both parties do not consider case when Buyer discovers that goods are inappropriate for use it was provided.
- 5.4 Complaints of visible and invisible defects are judged in attendance of Seller’s and Buyer’s responsible employee. If these persons do not find united agreement in claim validation, they negotiate expertise realization of claimed goods by third party,

generally by accredited laboratory. Tests are conducted on samples in which is arguable that derive from claimed supply; this fact is likewise listed in protocol.

- 5.5 Defect goods are returned to Seller on agreed position. If the claim is validated and solved with subsidiary goods (i.e. new goods which meet same standards and requirements as claimed goods), new warranty period wears on from delivery of these subsidiary goods.

6 Vis major

- 6.1 Contracting parties are not responsible for obligation fulfillment overdue in that case, when the failure is caused with event, which occurs out of their appropriate care, as for example war, fire, work conflicts including initiated by contracting party, commercial conflicts in case when are certificates refused and so on. Such this overdue does not cause breach contract and term for obligation fulfillment is extended by adequate period started at time when the fulfillment is unable. If the overdue lasts more than 3 months, each party has permission for rescission of the contract. The rescission is performed within the quantity of goods yet undelivered to the Buyer.

7 Goods ownership

- 7.1 Ownership of the goods is passing to the Buyer at moment of full payment of goods buying price. Seller reserves the right to take the goods back in the case when Buyer does not pay for the goods. Seller is entitled, until moment of ownership passing, to remove goods in Buyer's possession or masterdom/control, for this purpose Seller is entitled to enter the premise or the building, where the goods are located.

8 Payment conditions

- 8.1 Basis for payment of supplied goods is invoice. Invoice contains all the statutory requirements. Invoice maturity is based in contract or in accepted order and on the invoice.
- 8.2 Payment is understood as full charge of invoiced amount on the Seller's account.
- 8.3 The parties book bilateral assets only based on written agreement.
- 8.4 If Buyer is in delay with payment, Seller is permitted to claim contract penalty in amount of 0,05 % from total buying price for every day of delay. If the delay lasts more than 30 days, Seller is permitted to cease all other contract fulfillment without any Buyer's claim for sanction.
- 8.5 Substantiative costs related with the supply cessation (goods storage, goods transfer etc.), which are not caused by Seller, likewise the costs of Buyer's assets refund goes on Buyer's bur.

9 Referee and cause solution

- 9.1 Both parties explicitly agree, that all disputes, that may occure from this Agreement, including disputes concerning its validity, interpretation or revocation shall be

settled before the Arbitration Court of the Slovak Chamber of Commerce and Industry in Bratislava according to its basic internal legal regulations

- 9.2 The costs associated with the management are covered by each participant. A participant who has a full or predominant success in the matter is entitled to reimbursement of the costs of the management; the amount of the compensation shall be decided by the arbitrator in the arbitration panel or by the resolution which ends the management.
- 9.3 If the Arbitral Tribunal fails to reach a settlement, all disputes of a non-pecuniary nature will be dealt with by the competent Slovak Court under Slovak law. In this case, the parties argue that the local court has jurisdiction at the place of residence of the seller.

10 Subsidiary terms

- 10.1 Seller and Buyer inform the other party any circumstances, which could effect the contract's binding fulfillment.
- 10.2 Each of above clauses of terms and conditions or contract is operative as separated clause and the case, when would not any of the clauses valid or enforceable, other clauses remains valid.
- 10.3 These GTCS becomes operative with the day of their publication and replace former GTCS.

In Komárno, 27.7.2017

PRECISION TUBES EUROPE s.r.o.




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