**Commercial and Delivery Terms and Conditions**

1. **Purpose and Scope**
2. The purpose of these Commercial and Delivery Terms and Conditions ("TCs") is to definethe scope of the terms under which the individual transactions between INTEROBAL k.s., IČ (Company ID Number): 252 39 121, having its registered office at Horomyslická 315, 330 02 Dýšina, registered with the Regional Court in Plzeň, Section A, File 11183 ("**Contractor**") and other parties as customers ("**Client**") are to take place.
3. The TCs form an integral part of every contract for work made between the Contractor and the Client (i.e. the contractual relationship established based on the Client's purchase order expressly accepted by the Contractor) – collectively in the TCs as
"**CW**" – and they apply to the legal relationships established by the CW in which these TCs are referred to or where the application of these TCs is otherwise agreed. The valid wording of the TCs is also available on the Seller's website at www.interobal.cz.
4. Any deviations from the TCs shall apply only if expressly agreed. In other aspects, the provisions of Act No. 89/2012 Sb., Civil Code, as amended, shall apply between the Parties.
5. **Ordering Goods and Entering into the Contract for Work**
6. The business relationship between the Contractor and the Client shall be established based on a written contract for work or mostly based on the Client's written purchase order that will be demonstrably delivered to the Contractor (i.e. by e-mail, registered mail or personally to the Contractor's registered office) and expressly accepted by the Contractor. All purchase orders delivered to the Contractor are binding for the Client. The Contractor shall take steps towards completing each purchase order immediately after confirming it. In the event that the Client cancels a purchase order, it shall compensate the Contractor for any damage incurred.
7. The purchase order shall contain the exact specifications of the work, its quantity, method of packaging, price, exact location and method of delivery and expected time of delivery, specifications of the Client and the Client's contact details including the Client's e-mail address. Any purchase order that does not contain the above details or any purchase order not confirmed by the Contractor shall not represent the Contractor's obligation to perform and the Contractor shall not be obliged to respond to such a purchase order. If the Contractor confirms a purchase order, electronically or by mail, the purchase order shall become binding for the Contractor.
8. **Place and Time of Delivery – Acceptance of the Work**
9. The general place of delivery of the work is, unless otherwise agreed between the Parties, the Contractor's establishment at: Horomyslická 315; Dýšina 330 02. The Client shall personally collect these goods within the agreed time limit if collection dates are agreed. If the goods are not collected within the agreed time limit, the Client agrees to pay to the Contractor a storage fee of 0.05% of the price of the work for every day of storage past the agreed delivery date.
10. If the Client authorises a third person to accept the goods at the place of delivery, such a person must present to the Contractor upon request the original copy of a valid power of attorney or prove in any other credible manner that they are an authorised person, otherwise the Contractor shall not be obliged to release / hand over the work to such a person. Lack of authorisation of such a person may result in the Client's default in accepting the work. Any costs incurred due to such default shall be borne by the Client.
11. Where the Ex Works or FCA delivery terms are agreed and the Parties agree that transport is to be arranged by the Contractor, the Client shall be notified of the carrier selected by the Contractor and of the shipping charges. The Client then agrees to pay the price to the Contractor. In this case, the Contractor's obligation to deliver or hand over the work to the Client shall be deemed to have been met upon the handover of the goods to the relevant carrier.And the Client shall ensure that the goods are accepted and dropped off at the place of delivery without undue delay. Where no person authorised to accept the goods is specified by the Client in the purchase order, the Contractor shall assume that the person accepting the work at the place of delivery is an authorised person.
12. During the acceptance of the goods, the Client shall check the accuracy and completeness of the delivery and the Client shall notify the Contractor of such apparent defects no later than at the time of acceptance. Such deficiencies shall not be taken into account after the expiry of this time limit.
13. If the ordered products (work) are not collected within thirty days after the agreed date of delivery, the Client shall pay the amount of 60% of the agreed price of the work as a contractual penalty which shall not affect the Contractor's right to claim damages. If, in this case, the Client does not pay the price of the work or part thereof to the Contractor, the Contractor shall be entitled to sell the products (work) to any party interested in purchasing the relevant products (work) at the price common at the relevant place and time and use the proceeds to pay the amount due, or the Contractor shall hand them over for disposal if the Client is aware of this procedure.
14. In the event that no delivery date is specified in the CW, the delivery date means the date of written notification of the readiness of the ordered products (work) for collection. The notification shall be delivered electronically to the Client's e-mail address listed in the Client's purchase order or by registered mail.
15. The Contractor shall hand over the work on business days taking into account any restrictions arising from applicable legislation except for the period of company-wide vacation.
16. The Contractor shall not be liable for any delays or impossibility to deliver due to force majeure. In that case, the Contractor shall immediately notify the Client in which case the Contractor shall be entitled to extend the delivery date or withdraw from the contract without any liability of the Contractor for any damage incurred by the Client due to such non-performance.
17. Where international transport of the work is required, the Client shall specify in the purchase order the border crossings, where the products (work) delivered will go through customs at the Client's expense, as well as the forwarder/carrier to arrange/provide the transport.
18. **Packaging and EUR Pallets**
19. The products (work) shall be delivered in the packaging as specified in the Client's approved request. Where the products (work) are delivered on returnable pallets, the Client agrees to return all pallets back to the Contractor unless otherwise agreed. The pallets shall be returned within 60 days after shipping. After the expiry of this period, the Contractor will not issue any credit notes for such returnable packaging.
20. The Contractor shall not accept into its stock any pallets with one or more of the following defects:
* One or more of the planks or strongbacks are missing, they are broken crosswise or widthwise. A pallet will be accepted if the plank or strongback is only cracked or ruptured lengthwise;
* The side planks on the loading or supporting base are split off so that two or more screw nails are visible on one plank or one or more screw nails are visible on more than two planks. A pallet will be accepted if the screw nails on the middle or cross plants are visible due to having been split off. Split (ruptured) wood, due to which a screw nail is visible, does not affect the loading capacity. The top edges of the planks forming the supporting (bottom) base and the 4 corner edges must be bevelled. If such bevelling is missing, the pallet will not be accepted;
* One or more wood blocks is missing, is broken or split off so that more than one screw nail is visible. Split (ruptured) wood, due to which a screw nail is visible, does not affect the loading capacity. A pallet will be accepted if the blocks are turned or shifted yet still firmly connected to the planks if the external dimension is exceeded by more than 1 cm;
* The descriptive identification marks are missing or illegible. At least one EUR designation and one designation of the railway must remain;
* Inadmissible parts, such as too weak, short planks, blocks etc. compared to the original ones, were used to repair the pallets;
* The overall condition of the pallet is apparently poor and the loading capacity of 1,500 KG is clearly not ensured;
* Products (work) to be loaded on the pallet may be soiled;
* Where the pallet is in violation of applicable standards or bears irreversible designation.
1. The Contractor shall not accept pallets specified in para. 2 of this article. It shall store them for ten days and request their collection by the Client. If the Client does not collect such unaccepted pallets within ten days after the Contractor sent the request, such pallets shall be disposed of by the Contractor in an environmentally friendly manner at the Client's expense and by entering into this contractual relationship with the Contractor the Client agrees to pay the above expenses.
2. Any transport costs associated with the return of the returnable packaging shall be paid by the Client and the Contractor shall issue a credit note for the returned packaging. When returning packaging back to the Contractor, the Client agrees to duly secure such packaging to ensure safety when unloading the returnable packaging.
3. Prices of returnable packaging are available upon request of the Client sent to the Contractor unless they are part of the Contractor's quotation.
4. **Price and Payment Terms**
5. The Contractor shall issue a quotation prior to the delivery of the Client's purchase order. The quotation shall be valid for the following 90 calendar days unless otherwise agreed. The price listed in the Contractor's quotation shall therefore apply to the purchase order if the Client's purchase order is delivered to the Contractor within the above period. Otherwise, i.e. if the Client does not deliver the purchase order within the above period, it is necessary to ask the Contractor to issue a new quotation unless the Client and the Contractor expressly agree that the original quotation shall continue to be applicable. If the above rules are respected in this section of the TCs, the price of the work specified in the purchase order expressly accepted by the Contractor shall apply to the contractual relationship between the Client and the Contractor. The agreed prices exclude VAT and shipping charges unless otherwise agreed in writing. The invoice shall be due 14 calendar days after the date of issue by the Contractor.
6. The Contractor shall charge the Client for the expenses associated with the manufacture of cutting tools separately unless otherwise agreed in writing.
7. The agreed price of the work shall be duly billed by the Client to the Contractor, the issued invoice shall be sent to the Client in writing; if requested by the Client, it shall be sent electronically to the e-mail address listed in the Client's purchase order. The Client agrees to pay the agreed price by bank transfer to the Contractor's account unless otherwise agreed in writing.
8. The amount billed in the invoice shall be deemed to have been paid on the date of crediting the payment to the Contractor's account in full.
9. All fees associated with the transfer of funds from foreign banks shall be paid by the Client. The Contractor agrees to pay the fees attributable to it as charged by banks in the Czech Republic.
10. If the Client fails to pay the invoice in a proper and timely manner within the agreed maturity period, the Contractor shall be entitled to charge contractual interest on late payment of 0.05% of the outstanding amount for each day of default. All contractual penalties, expenses associated with storing the work, interest on late payment charged as well as expenses associated with out-of-court and judicial settlement of outstanding amounts shall be payable within fourteen days after they are claimed by the Contractor.
11. The title to the work shall pass onto the Client upon the full payment of the price of the work and compliance with any other claims of the Contractor from the Client that are directly or indirectly related to the delivery of the relevant work, such as expenses associated with storing the work, interest on late payment etc.
12. In case of the Client's default in the performance of its obligations, the Contractor shall be also entitled to limit or completely suspend other deliveries to the Client or take back any previously delivered work or part thereof at the Client's expense. In addition, the Contractor and the Client agree that if the Client sells any unpaid work or part thereof or otherwise transfers the title to a third party, the Client thereby assigns its claim from the relevant third party to the Contractor without any further action up to the amount of its debt to the Contractor. The Contractor shall then notify the third party of this fact by a written notice of assignment, to which the Client agrees without any reservations, and asks the third party to pay such assigned debt to the Contractor.
13. If the Client fails to meet its obligations in a proper and timely manner, the Contractor shall be entitled to withdraw from the CW or any other contracts with the Client, in which case the Contractor's right to claim payment of all debts shall continue in full, including the right to claim compensation for damage caused by the Client.
14. **Warranty, Liability for Defects, Claims**
15. Liability for defects shall be governed by generally binding legal regulations. A notice of defect shall be deemed to have been submitted in time if the Client claims apparent defects during acceptance and any other defects immediately after detecting them, always in writing. Delivery of defective work shall not be deemed a substantial breach of the contract.
16. Due to the nature of the products, no warranty is granted unless otherwise agreed in writing.
17. The risk of damage to the work or part thereof shall pass from the Client to the Contractor upon the acceptance of the work or part thereof by the Client or a person authorised by the Client.
18. The Contractor shall not be liable for any defects, failures, damage etc. resulting from any inappropriate use of the work or part thereof.
19. The Contractor shall not be liable for damage caused by the Client due to any improper handling of the work or part thereof in violation of the Contractor's internal regulation entitled Packaging Regulation, the current wording of which is published on the Contractor's website at [www.interobal.cz](http://www.interobal.cz/) in the section on TCs, or due to using the work with an apparent defect that the Client could and should have detected.
20. Rights arising from liability for defects shall expire in the event that when transporting, handling or storing the goods the Client does not follow the instructions listed in the Contractor's internal regulation entitled Packaging Regulation the current wording of which is published on the Contractor's website at [www.interobal.cz](http://www.interobal.cz/) in the section on TCs.
21. The Client shall support any claims regarding the quantity or quality of the delivered work or part thereof using a method with the validity of official measuring and weighing. In case of justified claims, the Contractor shall deliver the missing quantities or issue a credit note unless otherwise agreed.
22. Unless the agreed INCOTERMS clause or another individual arrangement with the Client suggest otherwise, defects of the goods caused during transport provided by an independent carrier must be claimed directly with the carrier in the manner described in the terms of carriage.
23. Claimed products must be stored separately until the complaint is handled. The Contractor reserves the right to check the condition of the claimed products directly on site.
24. If the claim proves to be justified, the Contractor shall remove the defects identified within a reasonable period of time.
25. Any technical parameters that were not pre-agreed in writing cannot be claimed later.
26. If the Contractor agrees to produce any of its products based on the supporting materials provided by the Client, the Contractor shall not be liable for the supporting materials provided and is not obliged to pay damages should the supporting materials cause the production to be of poor quality or otherwise non-conforming.
27. In the event of unjustifiable claims of rights arising from liability for defects of the work or part thereof or any other claims, the Contractor shall be entitled to compensation for all costs incurred in connection with resolving such claims such as expert fees, travel expenses, legal fees etc.
28. **Common and Final Provisions**
29. Both Parties shall proceed to the best of their abilities so as to minimise any damage, losses or risks that may arise from activities associated with the performance of the contract or use of the goods.
30. VAT at the statutory rate shall be added to the above amounts specified in CZK.
31. The Client declares that the manufacture of the work as ordered does not infringe on any third-party rights.
32. The Client and the Contractor declare that the drawings and technical documentation shall remain the Contractor's intellectual property until the price of the work has been paid by the Client in full. Both Parties agree that the Client shall not be entitled to dispose of the drawings and technical documentation in any manner, including but not limited to disclosing them to third parties (onerously or gratuitously), until the price of the work has been paid in full and the Client agrees to strictly comply with this obligation. In addition, the Client agrees to keep trade secrets even after the completion of the project if unilaterally requested to do so by the Contractor in writing. If the Client violates any of the obligations specified in this section of the TCs, the Contractor shall be entitled to claim payment of the contractual penalty by the Client in the amount of 20% of the price of the work for every individual violation of this obligation by the Client and the Parties agree that this shall not affect the right of the Contractor to claim payment of the resulting damages by the Client.
33. The Client shall not be entitled to assign any rights and obligations arising from the CW or any part thereof, any right, claim, obligation or duty arising from the CW now or in the future to any third party without the prior written consent of the Contractor.
34. The Contractor shall be entitled to modify the TCs. Any change to the TCs shall be announced by the Contractor at www.interobal.cz at least thirty days before it comes into effect. If the Client does not exercise its right to terminate the contract, it shall be deemed that the Client agrees with the new wording of the TCs.
35. These TCs shall supersede the previous wording of the Contractor's Terms and Conditions and shall be valid and effective from 01/12/2018. The applicability of any terms and conditions of the Client to the contractual relationships between the Contractor and the Client shall be excluded and no such terms shall be accepted.