

DAWICOM s.r.o.

Validity since 01.01.2012

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Terms & Conditions of Sale of Goods**1. SCOPE**

1.1. DAWICOM s.r.o., next only "DAWICOM", is prepared to supply Goods for the Buyer subject to these Terms and Conditions which shall apply at all times (the Buyer and DAWICOM shall be referred to collectively as the "Parties").

1.2. These Terms and Conditions shall prevail over any terms or conditions of the Buyer that purport to govern any contract for the supply of Goods by DAWICOM and any such conditions of the Buyer are hereby excluded.

2. ORDERING OF GOODS & SERVICES

2.1. The Buyer may purchase Goods from DAWICOM by submitting a written release or purchase order, incorporating these Terms and Conditions, for a specific quantity or volume of Goods to be delivered on a specified delivery date.

2.2. Each Order shall be deemed to be a separate offer by the Buyer to purchase Goods in accordance with these Terms and Conditions, which shall not be accepted or deemed to be accepted unless and until notification of acceptance is given in writing by DAWICOM, at which point a contract will be formed on these Terms and Conditions (the "Contract"), such contract to remain in force for the duration of the provision of Goods and then terminate.

2.3. Any terms or conditions of the Buyer attached to, enclosed with or referred to in any release, purchase order or other document shall not govern the Contract.

2.4. An Order for Goods shall be deemed to be a separate contract for Goods.

2.5. Orders placed by the Buyer are not subject to cancellation either wholly or in part except with the prior written consent of DAWICOM on the terms that the Buyer shall reimburse DAWICOM in full for any costs (including the costs of all labour and materials used), losses (including loss of profit) and expenses incurred by DAWICOM as a result of such cancellation.

3. DELIVERY

3.1. DAWICOM shall use its reasonable endeavours to ensure delivery of the Goods in the requested timescales, however any dates quoted for delivery or performance are approximate and DAWICOM shall not be liable for any delay in delivery howsoever caused. Delay in delivering an Order shall not entitle the Buyer to refuse to accept or take delivery of the Order.

3.2. Delivery of Goods shall be completed when DAWICOM places the Goods at the Buyer's disposal at DAWICOM's premises and accordingly the terms of delivery for all Goods delivered hereunder are Ex-Works (EXW Incoterms 2010) origin (usually to be Prague, Czech Republic).

3.3. In the event that DAWICOM is requested to arrange carriage of Goods for the Buyer, delivery shall also take place at DAWICOM's premises and shall be on an Ex-Works (EXW Incoterms 2010) origin basis. Carriage will include insurance. DAWICOM will charge the Buyer for carriage, insurance and all other reasonable costs and expenses incurred in arranging the carriage.

3.4. If the Buyer fails to take delivery of an Order for any reason then, except where such failure or delay is caused by DAWICOM's failure to comply with its obligations hereunder, delivery shall be deemed to have been completed on the date the Goods are made available in accordance with condition 3.1 and DAWICOM may:

3.4.1. store the Goods until actual delivery and charge the Buyer for the reasonable costs (including insurance) of storage and redelivery; or

3.4.2. after a period of sixty (60) days from the time agreed for delivery sell the Goods at the best price readily obtainable and charge the Buyer for any shortfall below the agreed price and all reasonable storage and selling expenses.

4. RISK & TITLE

4.1. Risk of damage to or loss of the Goods shall pass to the Buyer on delivery irrespective of whether or not title has

also passed.

4.2. In the event that the Buyer fails to take delivery of the Goods, risk for damage or loss of Goods shall pass to the Buyer at the time when DAWICOM has tendered delivery of such Goods.

4.3. Notwithstanding delivery and the passing of risk in the Goods, or any other provision of these Terms and Conditions, title to the Goods shall not pass to the Buyer until DAWICOM has received in cleared funds payment in full of the price of all those Goods for which payment is then due.

4.4. Until such time as title in the Goods passes to the Buyer, the Buyer shall hold the Goods as bailee for DAWICOM, and shall keep the Goods separate from those of the Buyer and third parties and properly stored, protected and insured and identified as DAWICOM's property, but shall be entitled to resell or use the Goods in the ordinary course of its business on the condition that the Buyer shall account to DAWICOM for the proceeds of such sale or otherwise of the Goods.

4.5. Until such time as title to the Goods passes to the Buyer (and provided such Goods are still in existence and have not been resold), DAWICOM shall be entitled at any time to require the Buyer to deliver up the Goods to DAWICOM and, if the Buyer fails to do so forthwith, to enter upon any premises of the Buyer or any third party where the Goods are stored and repossess the Goods.

4.6. The Buyer shall not be entitled to pledge or in any way charge by way of security for any indebtedness any of the Goods that remain the property of DAWICOM. If the Buyer does so, all amounts owing by the Buyer to DAWICOM shall, without prejudice to any other right or remedy of DAWICOM, forthwith become due and payable.

5. INSPECTION & RETURNS

5.1. All Goods supplied by DAWICOM shall be examined and checked immediately upon receipt by the Buyer. The Buyer must notify DAWICOM in writing, within seven (7) days of the arrival of Goods at the Buyer's premises, of any alleged shortage, errors or non-conformities with agreed specifications, or DAWICOM will not be liable to replace or make good the same or otherwise be under any liability whatsoever to the Buyer in respect of the same.

5.2. At DAWICOM's sole discretion, any delivered non-conforming Goods shall be returned to DAWICOM, at DAWICOM's cost, for (a) repair or replacement or (b) for outstanding invoices to be cancelled and previously paid money refunded.

5.3. Return of Goods will only be accepted if the Buyer follows DAWICOM's RMA procedure. Returned Goods should be accompanied by a completed copy of DAWICOM's RMA form (available on request), quoting the issued RMA number. Goods returned more than thirty (30) days after delivery cannot be the subject of any credit.

6. PRICING, INVOICING & PAYMENT

6.1. Subject to the conditions hereunder, the price payable for Goods shall be the DAWICOM quoted price current at the date of acceptance of an Order.

6.2. DAWICOM shall be entitled to make additional charges to cover costs or expenses that are incurred as a result of the Buyer making additional requests outside the scope of an Order or an agreed specification, or due to any instruction, information, access or materials not being available from the Buyer on DAWICOM's request.

All prices quoted are exclusive of taxes, duties and any other statutory provisions, for which the Buyer shall be additionally liable, and are exclusive of transport and insurance costs and reasonable travel and accommodation expenses for DAWICOM staff, where such costs and expenses are appropriate.

6.4. Invoicing shall occur upon or at any time after the delivery of Goods. DAWICOM shall mail all invoices to the address specified on the purchase order and send a copy by email requested.

6.5. The balance of accounts shall be paid within fourteen (14) days of the date of DAWICOM's invoice in cleared funds in such currency and to such bank account as DAWICOM may from time to time nominate, without any right of set-off, counterclaim, withholding or deduction, irrespective of whether title to the Goods has passed to the Buyer.

6.6. All currency exchange costs, other bank charges, and any tax withheld or deducted by any authority before receipt by DAWICOM, shall be paid by the Buyer. All payments originated outside the Czech Republic shall be made by wire as a transfer in immediately available funds.

6.7. If the Buyer fails to pay on the due date any amount which is payable to DAWICOM then, without prejudice to any

other right or remedy of DAWICOM:

6.7.1. that amount shall bear interest from the due date until payment is made in full at a rate of two (2) per cent per calendar month, compounded daily, both before and after any judgement;

6.7.2. DAWICOM shall be entitled to suspend deliveries of Goods and/or performance of Services until the outstanding amount has been received from the Buyer;

6.7.3. DAWICOM shall be entitled to recover Goods from the Buyer if payment is still not forthcoming after a total period of sixty (60) days after the due date, with the costs and expenses of any such recovery being the liability of the Buyer; and

6.7.4. DAWICOM shall have a lien and a right to hold at its premises or otherwise any Goods as against all sums due by the Buyer to DAWICOM. DAWICOM may exercise such lien by disposing of any such Goods on such terms as DAWICOM sees fit if payment is still not forthcoming after a total period of sixty (60) days after the due date, with the costs and expenses of maintaining and exercising any such lien being the liability of the Buyer.

7. WARRANTY

7.1. DAWICOM warrants that (a) the Goods shall conform to specifications in the Order; and (b) the Goods will be free from any defects in design and manufacture for a period of twenty-four (24) months from the date of delivery.

7.2. The warranties in condition 7.1 shall not apply where:

7.2.1. any such defect in the Goods arises from a drawing, design, requirement or specification supplied by the Buyer;

7.2.2. any such defect in the Goods arises from wear and tear under customary usage, use of incompatible fluids, wilful damage, negligence, abnormal working conditions, failure to follow DAWICOM's instructions (whether oral or in writing) or misuse, alteration, servicing or repair of the Goods without the prior written approval of DAWICOM;

7.2.3. the Goods are incompatible with other goods, equipment or processes of the Buyer;

7.2.4. any such defect in the Goods arises from the Goods being subjected to failure or fluctuation of electrical power, abnormal electrical stress, abnormal temperature or humidity, fire, vandalism or abnormal physical stress.

7.2.5. the total amount due for the Goods has not been paid by the due date for payment;

7.2.6. any such defect in the Goods is caused by the Buyer, its employees, agents or representatives in transporting, positioning, installing, testing, tampering with or removing packaging from the Goods; or the Buyer has failed to notify DAWICOM in writing within seven (7) days of it becoming aware of a defect, giving details of the alleged defect.

7.3. The supply of Goods under these Terms and Conditions shall not be a sale by sample.

7.4. Other than that specified in conditions 7.1-7.5 hereof, no further warranties or obligations of DAWICOM are extended by these Terms and Conditions, including but not limited to any obligation to provide maintenance and training outside the scope of any Order, and conditions 7.1-7.5 state DAWICOM's entire warranty in connection with the quality and fitness for purpose of Goods and/or Services provided hereunder.

8. LIABILITY

8.1. DAWICOM shall not be liable to the Buyer according to this contract for any loss of business, profit, goodwill or anticipated saving, nor for any incidental, indirect, special or consequential damage suffered by the Buyer that arises under or in connection with supply of Goods.

9. FORCE MAJEURE

9.1. DAWICOM shall not be liable to the Buyer or be deemed to be in breach of the Contract by reason of any delay in performing, or any failure to perform, any of the obligations of DAWICOM in relation to the Goods, if the delay was due to any cause beyond the control of DAWICOM, such causes to include but not be limited to:

9.1.1. Acts of God, war, invasion, act of foreign enemies, hostilities, civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities;

9.1.2. statutes, restrictions, regulations, bye-laws, prohibitions or measures of any kind on the part of any national, regional or local authority;

9.1.3. nationalisation, government sanction, blockage, embargo, labour dispute, strike, lockout or other industrial actions or trade disputes; or

9.1.4. interruption or failure of utilities or difficulty in obtaining labour, materials or transport.

10. HEALTH, SAFETY & ENVIRONMENTAL LAWS

10.1. The Buyer shall ensure that any sites, facilities or offices at which DAWICOM's staff are required to be present for delivery of Goods comply with all relevant local and national laws, codes, and regulations relating to health, safety and environmental compliance. In the event that the Buyer's sites, facilities or offices do not comply with any such laws, codes, or regulations, then the Buyer shall correct any such noncompliance at its sole expense and indemnify and hold DAWICOM harmless from any claims, costs, fines, penalties, expenses, liabilities, or losses on account of any such noncompliance.

11. CONFIDENTIALITY

11.1. Where the parties have entered into a Non-Disclosure Agreement, Confidentiality Agreement or other agreement containing confidentiality terms, the provisions set out in that agreement shall apply and condition 11.2 shall be omitted.

11.2. During the Contract, and for a period of two (2) years after termination of the Contract, the Buyer:

11.2.1. shall protect any confidential information concerning the technology, business, affairs, customers or suppliers of DAWICOM from disclosure to any third party;

11.2.2. shall restrict access to such information to those employees and affiliates that have a need to know such information, and shall be responsible for ensuring the compliance of such employees and affiliates with these Terms and Conditions; and

11.2.3. shall not analyse the composition of, reverse engineer, de-compile or in any other way attempt to derive the composition, design, structure or underlying ideas of, or contained in, any of the Goods or results of the Services.

12. INTELLECTUAL PROPERTY RIGHTS

12.1. The Buyer shall have no rights in respect of any of DAWICOM's intellectual property or proprietary right worldwide and ownership of all such intellectual property shall remain with DAWICOM whether arising in the Goods or the performance of the Services or otherwise.

12.2. DAWICOM shall retain the rights to any information supplied to the Buyer as part of an offer or quotation.

13. NON-SOLICITATION

13.1. The Buyer undertakes that it shall not at any time during the Contract, or for a period of two (2) years after termination of the Contract:

13.1.1. solicit, whether directly or indirectly, any of DAWICOM's employees who are or have been engaged hereunder; or

13.1.2. procure, or attempt to procure, subcomponents of the Goods from any of the subcontractors that DAWICOM employs.

14. GENERAL

14.1. The Buyer shall not assign, transfer, or delegate any of its rights, liabilities, duties or obligations hereunder or any purchase order or release issued hereunder, by operation of law or otherwise.

14.2. The Buyer acknowledges that it does not rely on any representation, warranty or other provision except as expressly provided in these Terms and Conditions and all conditions, warranties or other terms implied by statute or common law are excluded to the fullest extent permitted by law.

14.3. These Terms and Conditions are not subject to change by reason of any written or oral statements by the Buyer or by any terms stated in any release, order, or other documentation unless signed by an authorised representative of both Parties and reflecting an express intention to amend or modify a particular provision of these Terms and Conditions.

14.4. The Section headings contained in these Terms and Conditions are for reference purposes only and shall not affect the interpretation of the Terms and Conditions or any provisions hereunder.

14.5. If any provision of these Terms and Conditions is determined by a court to be invalid or unenforceable in whole or in part, the validity of the remainder of the Terms and Conditions shall remain in full force and effect.

14.6. No failure or delay by DAWICOM in exercising any of its rights under these Terms and Conditions shall be deemed to be a waiver of that right, and no waiver by either Party of a breach of any provision of these Terms and Conditions shall be deemed to be a waiver of any continuing or subsequent breach of the same or any other provision.

14.7. No provision of these Terms and Conditions shall be enforceable by, nor provide any benefit to, any third party.

14.8. These Terms and Conditions, and the Contract, shall be governed by, interpreted and construed, and performance hereunder shall be determined, in accordance with Czech Republic Law and both Parties agree to submit irrevocably to the exclusive jurisdiction of the Czech Republic Courts.

15. TERMINATION

15.1. DAWICOM may terminate a Contract formed on these Terms and Conditions forthwith by giving written notice to the Buyer should the Buyer:

15.1.1. become insolvent, enter into liquidation, make any arrangement with its creditors or make a general assignment for the benefit of creditors, or suffer or permit the appointment of a receiver, manager, administrative receiver or administrator over its assets or cease (or threaten to cease) to conduct business in the normal course, or suffer any analogous process under any act or law relating to insolvency or the protection of the rights of creditors in any jurisdiction;

15.1.2. in DAWICOM's reasonable apprehension be about to suffer any of the events described above and is notified by DAWICOM in writing accordingly;

15.1.3. commit a material or persistent breach of any of the provisions of these Terms and Conditions and, if the breach is capable of remedy, fail to remedy it within fourteen (14) days after being given written notice giving full particulars of the breach and requiring it to be remedied; or

15.1.4. fail to pay any sum owing to DAWICOM under any Contract within sixty (60) days of the due date for payment.

15.2. Upon termination according to condition 15.1:

15.2.1. DAWICOM shall be compensated for Goods delivered, Services performed and any costs or expenses incurred for part-completed Goods or part-performed Services prior to termination. DAWICOM shall also be compensated for costs or expenses that are directly attributable to termination, but are incurred after termination;

15.2.2. DAWICOM shall be entitled to cancel all contracts or suspend any further deliveries without any liability to the Buyer, or to complete contracts to deliver Goods and/or perform Services at its sole discretion, and if any Goods have been delivered, or Services performed, but not paid for, the amount owed shall become immediately due and payable;

15.2.3. all obligations of DAWICOM under these Terms and Conditions shall terminate; and

15.2.4. termination shall not affect or prejudice any right to damages or other remedy which DAWICOM may have in respect of the event giving rise to the termination or any other right to damage or other remedy which DAWICOM may have in respect of any breach of these Terms and Conditions which existed at or before the date of termination.