
GENERAL CONDITIONS OF SALE

SUBJECT MATTER

These general terms and conditions of sale are an integral part of the quotation submitted by OPTOKON Kable Co., Ltd., s.r.o. (hereinafter "OPTOKON Kable"), and prevail over the contents of the quotation itself, as well as supersede any general terms and conditions of purchase. The supply of products quoted in this quotation, even without express acceptance, will be construed as acceptance by the customer of these general conditions of sale.

VALIDITY OF THE PROPOSAL

The quotation will be valid for the period therein established, counted in calendar days from the presentation date of the quotation. The proposal may eventually be revised by means of written agreement between the customer and OPTOKON Kable. The quotation is valid for 30 days unless otherwise stated.

PRICES AND COMMERCIAL CONDITIONS

The prices and commercial conditions that apply to this sale are those defined in the above mentioned quotation. Prices will be adjusted in each invoicing cycle according to the formulas established in the quotation.

The price of all packaging including cable reels is included in the cable price. In case of export or oversea sale the price for packaging will be specified individually in purchase contract. All prices are stated as FCA.

PAYMENT TERMS AND CONDITIONS

Invoices for supplied products will be paid by the customer to OPTOKON Kable, according to the payment terms and other conditions established in the quotation, regardless of the effective delivery dates of the products, by means of bank collection or wire transfer in Czech crowns (for the domestic market) and U.S. dollars or EUR (for the export market) to a corporate bank account to be indicated by OPTOKON Kable in writing.

CREDIT APPROVAL

The supply of the products quoted in our quotation is subject to the provision of precise information and guarantees given by the customer for credit approval reasons.

TAXES

The taxes considered in the above quotation are in accordance with the current valid legislation at the time of delivery of goods or services.

ALTERATION OF ECONOMIC POLICY

The prices and conditions of this quotation have been adjusted and presented in accordance with the current economic-financial environment. Should any change occur in the economic and / or financial policy between the quotation date and the product delivery date, all prices and conditions presented in the quotation shall be reviewed in order to return to the initial quotation economics. The client shall be responsible for the fair remuneration of the supply, aimed at the maintenance of the initial economic-financial balance in the sale of the quoted products.

DELAYED PAYMENTS

OPTOKON Kable charge delayed interest at a 7% annual interest rate plus the current valid interest rate of the Czech National Bank (ČNB). In the case of overdue amounts, delay interest is charged in a separate debit note.

HANDLING, PACKING AND TRANSPORT

Cables are delivered in manufacturing length according to the particular technical specification. If buyer is interested in non-standard length, the manufacturer is eligible for additional charge. Cables are delivered with length tolerance of $\pm 5\%$ for standard and non-standard lengths.

The products will be packed in appropriate and good quality packages, resistant to bad weather and normal conditions of transport, handling and pulling operations.

OPTOKON Kable will be responsible for coordinating product transportation to the customer's distribution center or to another destination in the Czech Republic, providing that this other destination is advised to OPTOKON Kable before the issue of the invoice and was previously described in our quotation, otherwise an additional percentage will be charged to the customer regarding freight to the new destination. All handling, unpacking and transportation expenses at the destination will be the responsibility of the customer.

QUALITY

OPTOKON Kable products are designed, manufactured and tested according to OPTOKON Kable datasheets and OPTOKON Kable qualified and certified processes, according to the requirements of ISO 9001:2015 standards.

INSPECTIONS AND TESTS

The supplied products will be submitted to all routine tests as provided for in the European Union technical standards, and/or in other customer specifications previously agreed, with no obligations for the customer. In the event the customer requests the accomplishment of a specific material test, whether in third party laboratories and/or official

laboratories, all related costs will be borne by the customer and the delivery date previously agreed to between OPTOKON Kable and customer will be proportionally adjusted by the number of days necessary for the accomplishment of such test.

DELIVERIES

OPTOKON Kable will deliver all products according to the delivery dates previously agreed to between OPTOKON Kable and the customer (for exports, INCOTERMS 2000 issued by the International Chamber of Commerce will also apply). In the event of any change to the delivery address previously agreed, the customer is to inform OPTOKON Kable at least fifteen (15) days in advance and OPTOKON Kable will re-evaluate freight costs and new delivery dates.

FORCE MAJEURE

OPTOKON Kable will not be held liable for any delay or failure of performance of obligations due to the occurrence of the following events of force majeure: strikes, lock-outs, deliberate acts of the workforce or other industrial disturbances, fires, explosions, floods or other natural catastrophes, civil unrest, riots, revolts, armed conflicts (whether declared or not), restrictions, rationing or forced allocations of common sources of labor, raw materials, components, transports, energy or utilities, accidents, acts of god, subcontractor or supplier delay, voluntary or mandatory compliance with government acts or regulations (valid or not), embargoes or any other cause, whether similar or dissimilar with the causes or categories above, that is beyond the reasonable control of OPTOKON Kable. In the case of delay or non-performance due to any of the events above, the period for compliance will be extended for a time period reasonably necessary to overcome the effects of the event of force majeure.

TERMINATION

After acceptance, this quotation may be terminated in whole or in part by OPTOKON Kable should the customer fail to pay or execute any other term or condition of these general terms of sale. OPTOKON Kable will have the right to suspend execution of its obligation in the accepted quotation, in whole or in part, instead of terminating such.

LIQUIDATED DAMAGES IN THE CASE OF TERMINATION

The customer shall pay OPTOKON Kable reasonable and proper termination charges which shall include a portion of the price reflecting the amount of work completed up to the termination date plus any incurred or committed costs, additional expenses incurred by reason of termination of OPTOKON Kable agreements with its suppliers and subcontractors, including but not limited to, the financing of costs related to raw materials in inventory, and liquidated damages:

WARRANTY

The warranty period is 12 months from the time of risk transfer. If the product is not under extended warranty. Visual defects and damages must be announced 15 days at the least from the moment of the risk transfer. Manufacturer is not responsible for the defects or damages caused during the improper storage or manipulation, unprofessional installation, eventually using inappropriate accessories. The warranty is terminated in case of unprofessional product installation or modification. If some of the parts of the product are supplied by the buyer then defects of this material are not under the warranty. Eventually defects caused using this material are not under the warranty. Manufacturer is not responsible for the damages caused by the third party.

The buyer is authorized to return the goods only after written announcement of the specific material complaint.

Manufacturer will answer the complaint in period of 30 days after the complaint acceptance.

The complaint announcement is valid only with the following necessary information:

- Description of the particular defect
- Amount of the claimed products
- Number of the cable reel
- Invoice number

Buyer is obliged to provide the goods to the manufacturer for the control by sending the claimed goods to the manufacturer. The goods must be returned on the same original reel with the original identification labels. Manufacturer comments the product control in the period of 30 days from the claimed product delivery. In case the manufacturer find the complaint substantiated then the manufacturer will eliminate the claimed goods on its own expenses and will compensate the buyer's expenses concerning the claimed goods return. If the complaint is found unsubstantiated then the buyer will compensate the manufacturer's all expenses concerning the particular complaint.

The above warranty will not apply to normal wear and tear, defects caused by accidents, improper or negligent handling, improper maintenance by the customer or third parties, defects caused by the customer's design, materials and/or technical specifications for the installation of the products, theft, sabotage and overload, unauthorized attempt to repair, damaged seal, as well as any and all defects due to force majeure, according to the applicable law. Defective products replaced by OPTOKON Kable will become the property of OPTOKON Kable.

OPTOKON Kable reserves the right to inspect any and all defective materials that may eventually be detected by the client, before the removal and/ or return of such material. After detection of the defect by the client, the client must contact the OPTOKON Kable Quality Department, so that OPTOKON Kable may take the necessary measures to remedy the defect.

OPTOKON Kable does not provide any other warranty to the products, whether express or implied, including but not limited to warranties of merchantability or fitness for a particular purpose. No claim regarding delivered products, lack of delivery or any other grounds for a claim will exceed the price of the products involved in such a claim.

Despite any other term or condition to the contrary, the customer agrees that OPTOKON Kable will not be liable for any special incidental, indirect, consequential or punitive damages of any kind, including, but not limited to, loss of use, loss of profits, third party claims, or other expenses not expressly established in this proposal, and the customer will indemnify and will not hold OPTOKON Kable responsible for any such liability.

TITLE TO TECHNICAL DOCUMENTATION

Title to drawings, plans, manuals, diagrams, schedules, information, documents etc. regarding the products to be supplied per this quotation is, and will remain with, OPTOKON Kable. Should the customer receive any such documents, the customer agrees not to use such drawings and other documents without the previous written authorization of OPTOKON Kable.

LIMITATION OF LIABILITY

The aggregate liability of OPTOKON Kable arising out of or in connection with this quotation, whether based on breach of contract, strict liability in law, tort, negligence or otherwise, shall under no circumstances exceed 20% of the purchase price of the products with respect to which a claim is made, in addition to the cost of repair or replacement of such defective products, except with regard to bodily injury or death of persons.

OPTOKON Kable shall not be liable under any circumstances whatsoever (including but not limited to negligence) for any indirect, special, incidental or consequential losses or damage such as loss of use of the products, loss or alteration of data, damage to reputation, loss of profit or any other financial or economic loss or damage whatsoever as well as the financing of costs or increase in operating costs, howsoever these may arise.

NON-DISCLOSURE

The customer shall not disclose to any third parties without prior written approval of OPTOKON Kable, any information regarding this quotation, nor will use such information for any purpose other than compliance with this quotation (if accepted). In addition to the foregoing, OPTOKON Kable may disclose information regarding this quotation to third parties affiliates of OPTOKON Kable for the purpose of compliance with this quotation, if necessary.

ASSIGNMENT

The customer may not assign or transfer this quotation (if accepted) to any third parties, in whole or in part, without the prior written approval of OPTOKON Kable. OPTOKON Kable may assign or transfer this quotation (if accepted), in whole or in part, to any affiliate company.

AMENDMENTS

All and any amendments that may be requested after order confirmation will only be valid if made via written document signed by OPTOKON Kable and the customer. No verbal amendments will be accepted.

GENERAL INFORMATION

Considering the possibility of the use of imported raw materials in the product industrialization process, any alteration verified in the import conditions due to government actions, work strikes or delays in the emission of import permits by the competent government departments and/or restrictions imposed by the same departments that results in proven delays in our production, shall be considered, for all legal purposes, as force majeure.

DISPUTE RESOLUTION

The law of the Czech Republic applies to this quotation, before and after acceptance, without regard to any conflict with legal regulations. OPTOKON Kable and the customer agree that the courts of the City of Prague, Czech Republic will be competent to settle any dispute between them, to the exclusion of all others.

The General Conditions of Sale were approved by the company management of OPTOKON Kable in Pelhřimov, September 10th, 2017.