

# General Business Terms of EUROPRINT a.s. (of the Contractor)

The subject matter of these General Business Terms (hereinafter „GBT“) is the definition of legal relations between the Contractor (EUROPRINT a.s., ID No.: 24233048, with its registered office at Prague 5 - Košíře, Pod Kotlářkou 151/3, ZIP Code 150 00, File No. B 18625 registered with the Municipal Court in Prague) and ordering party of any work that is related to the Contractor's business activity (the Customer). Unless expressly agreed otherwise, these GBT form an integral part of every contract for work entered into with the Contractor, regardless of whether the contract is entered into in writing or in any other manner (for example based on sent e-mail order). The GBT are available on the Contractor's website [www.europrint.cz](http://www.europrint.cz) and a reference to the GBT is a part of business correspondence.

## I. Entering into a Contract

- 1.1 A contractual relationship between the Contractor and the Customer (hereinafter the „Contract for Work“) shall be established:
  - a) upon signing a written Contract for Work; or
  - b) upon confirmation (acceptance) of a written or e-mailed order of work to be made by the Contractor, in any form (e.g. by fax, e-mail or by factual commencement of production).
- 1.2 Any modification of the contractual relationship (Contract for Work) between the Contractor and the Customer may be done solely on the basis of an affirmative manifestation of the will of both contracting parties, in writing or by fax or e-mail.
- 1.3 If the Contractor sends to the Customer a proposal for making of a work, the Customer's response with a supplement or with a variation that does not significantly changes the terms of the proposal, shall not be deemed as the acceptance of the proposal within the meaning of section 1740, par. 3 of the Civil Code, or as the conclusion of a contract for work, but only as a new proposal.
- 1.4 The Customer may terminate the concluded Contract for Work, or cancel the order confirmed by the Contractor, even without any reason, but only before the Contractor began to realise the work concerned. In the event of any termination or cancellation of the order before execution of the work, the Customer shall pay the Contractor a cancellation fee in an amount of:
  - a) 10% of the price of the work, if the order was cancelled no later than thirty (30) days before realisation of the work,
  - b) 30% of the price of the work, if the order was cancelled between the 29<sup>th</sup> to 15<sup>th</sup> day before realisation of the work,
  - c) 50% of the price of the work, if the order was cancelled between the 14<sup>th</sup> and 3<sup>rd</sup> day before realisation of the work,
  - d) 75% of the price of the work, if the order was cancelled between the 2<sup>nd</sup> and 1<sup>st</sup> day before realisation of the work,
  - e) 100% of the price of the work, if the order was cancelled on the day of realisation of the work.Payment of the cancellation fee shall not affect the Contractor's right to claim damages.

## II. Execution of Work

- 2.1 The Customer is obliged to provide the Contractor with all the necessary materials/documentation for execution of the work in a quality usable for proper execution making and within the time-limits set by the Contractor. The Customer shall further provide any other necessary assistance required by the Contractor in connection with the specification of production-related documents, approval of proof-readings and specimens or during takeovers of finished works.
- 2.2 Should the Customer fail to provide the necessary materials and cooperation, the Contractor reserves the right not to commence or to suspend execution of the work until the Contractor receives the required materials or until the required cooperation is provided. According to the Contractor's technical capabilities and time schedule, the time-limit for the Contractor's performance shall be adequately extended (at least by the Customer's delay) and such extension shall not be deemed as the Contractor's delay. In this case, the Contractor shall include the ordered work into the nearest available time slot according to available capacity and shall not be liable for any delay.
- 2.3 In the event that the execution of a work is not commenced or is suspended due to a delay on the Customer's side (especially the failure to timely supply the materials necessary for printing) or due to the delivery of incorrect materials by the Customer, this non-commencement or suspension of the execution of the work in the time originally planned by the Contractor will be deemed as downtime and, as a result of causing this downtime, the Customer shall pay the Contractor a contractual penalty in an amount equal to 50% of the agreed price of the work not printed because of the Customer's delay/incorrect materials. The Customer shall be further liable for any damage (including the costs of legal representation) caused to the Contractor by downtime for reasons on the Customer's side and by enforcing the payment of the above-mentioned penalty.
- 2.4 If the Customer notifies the Contractor that it requests modification of the work because of the fact that the materials supplied by the Customer are incorrect and if preparations for printing have already been started according to the original materials or, as the case may be, if a part of the work has already been printed, the Customer shall pay the Contractor, besides the full price of the copies printed according to incorrect materials, other extra costs related to modification of the work (especially the materials used and the expenses for the operation of machines necessary for the preparation of printing, such as illumination of printing plates, etc.).
- 2.5 In the event that the Customer requires the work to be executed according to materials or instructions that turn out to be inappropriate, incomplete or incorrect (even ex post), the Contractor shall have the right, but not an obligation, to notify the Customer of this problem. In the event that the Contractor discovers this problem and asks the Customer to remedy the problem, the Customer shall supply complete and correct materials no later than by the deadline set by the Contractor or without undue delay after the Contractor's request. If the Customer insists on execution of the work according to the original instructions or materials, or if their inappropriateness or incorrectness is discovered prior to execution of the work, the Contractor shall execute the work, but shall not be liable for any defects in the work, or any delay or damage caused by the use of this inappropriate materials or instructions.
- 2.6 In the event of occurrence of any unclearness in the materials provided or during execution of the work by the Contractor that cannot be removed by using the Contractor's professional knowledge, the Contractor shall have the right to ask the Customer for cooperation and necessary explanations and provide a time-limit for this purpose. In the event of a dispute over a timely performance, this time-limit shall be recognized in favour of the time-limits for the performance of the Contractor's obligations.
- 2.7 The Customer shall be fully liable for the content of the work which is based on the materials supplied by the Customer. If the work created by the Contractor is to include a copy of any works protected by copyright or by any other intellectual property rights, the Customer shall ensure that the use of such works is legitimate and that there will be no infringement of any third party rights and violation of law. The Customer declares that it has a valid licence to use, reproduce and distribute copyrighted and similar works that are contained in the materials necessary for printing. The Contractor shall not be obligated to examine and is not liable for the correctness of the content of work and whether it complies with legal regulations or whether it does not infringe any third party rights. The Contractor shall also not be liable for any unauthorized use of trademarks, logotypes, copyrights or copyrighted works contained in the supplied materials.
- 2.8 If the Customer wishes to be present at the launch of the printing machine during printing of the work, it must notify this in writing to the Contractor along with handing over of the materials for execution of the work, specifying the telephone number of the responsible employee. The Contractor shall inform this responsible employee about the launch of the printing machine in a timely manner, but no later than 2 hours in advance, specifying the place and time of such launch. If this responsible employee fails to arrive at the defined time, the printing will be started even without his/her presence.

## III. Delivery Terms

- 3.1 If the Contractor and the Customer have not agreed on the transport and method of payment for the completed work, then transport shall be organized and paid for by the Customer. If the transport is organized by the Contractor, the costs of such transport will be subsequently charged to the Customer. If the transport of the completed work is organized by the Contractor, the Customer shall provide the Contractor with all the information necessary for delivery, especially the exact specification of the place and the name of the person who is authorized to take over the work on behalf of the Customer. Where no such person has been appointed, the Contractor shall have the right to hand over the work to any employee of the Customer at the place of delivery.
- 3.2 The place of delivery of the completed work is dependent on the agreement between the contracting parties regarding the organization of transport of the completed work. If there is no such agreement, or if transport is organized by the Customer, the place of delivery shall be the Contractor's business premises on the address Pod Kotlářkou 3, 150 00 Prague 5.
- 3.3 The Customer shall take over the work either with or without reservations. Takeover of the work shall be documented by a delivery note confirmed by the Customer's representative or employee or by a carrier's confirmation about takeover of the work for transport.
- 3.4 If the Customer fails to ensure takeover of the work from the Contractor's business premises (if such business premises are the place of delivery) no later than on the business day following the agreed delivery date (e.g. according to the agreed schedule), the delivery shall be deemed completed upon storage on the Contractor's premises. A storage fee of CZK 10 shall be charged for each pallet and for each day (or part thereof) of storage. Upon storage of the work with the Contractor, the risk of damage to such work shall pass on to the Customer. In the event that the Customer fails to take over the completed work, or part thereof, no later than sixty (60) days after the agreed delivery date, the Contractor shall have the right to sell the completed work to a third party or to dispose of the work in any other way. The proceeds from such sale shall be offset against the charged storage fee or, as the case may be, against other payable obligations of the Customer to the Contractor, including the agreed price for the completed work.
- 3.5 In the event that the Contractor is instructed by the Customer to deliver the work to a place of delivery outside the Contractor's business premises and the work is not taken over by the Customer or by a person authorized by the Customer or if takeover of the work is otherwise prevented, the Contractor shall store the work at its business premises and the provisions of the previous paragraph concerning the delivery, storage, transfer of risk, the right of sale or disposal and set-off shall apply as appropriate. In addition, the Customer shall pay the Contractor all the expenses for unsuccessful delivery and compensate the Contractor for the damage caused.
- 3.6 In the event of a delayed delivery of the work for reasons only the Contractor's side, the Customer shall be entitled to charge a daily contractual penalty equal to 0.1% of the price of the work or part thereof that has been delayed by the Contractor. However, the Customer shall not be entitled to simultaneously receive any damages for the same reason.
- 3.7 The Customer shall return the packaging materials, namely EURO-pallets (including EURO-pallet lids) on which the work was delivered to the Customer, without undue delay after delivery of the work to the Customer; unless the Contractor and the Customer agree otherwise in a particular case.
- 3.8 The risk of damage to the goods (work) shall be transferred to the Customer as of the moment of takeover of the goods by the Customer (or by the Customer's representative or employee or a third party appointed by the Customer or present at the place of delivery) or as of the moment of handover of the goods to the Customer's first carrier. In the event of a delayed takeover of the work, the risk of damage to the goods shall be transferred as of the first day of such delay or as of the moment of storage under par. 4 of this Article.

## IV. Price of Work and Payment Terms

- 4.1 Upon handover of the work, or any completed part thereof, the Contractor shall issue a proper tax document (i.e. invoice) which shall be payable (unless agreed otherwise between the parties) within fourteen (14) days after issuance. The applicable VAT shall be added to the price of the work.
- 4.2 An invoice or advance invoice shall be deemed paid on the day when the relevant amount is credited to the Contractor's bank account, or on the day of acceptance of cash into the Contractor's cash desk or on the date of issue of a mutually approved set-off document.
- 4.3 The Contractor may, particularly if it is the Customer's first order, require the Customer to provide an adequate advance payment before the Contractor starts execution of the work.
- 4.4 In case of delay with payment of any amount arising out of or in connection with the Contract for Work, the Customer shall pay to the Contractor a default interest equal to 0.1% of the unpaid amount for each day of delay.
- 4.5 In case of delay with payment the Contractor shall also be entitled until payment of all outstanding amounts owed by the Customer – at its own discretion and without breaching any provision of the Contract for Work – to decide, at any time, not to commence the production of the ordered work or to suspend this production in full or in part and/or to hand over the work to the Customer. The Contractor shall have the same right with regard to the work controlled by the Customer and with regard to works ordered by these parties. In such a case, any and all time-limits arising for the Contractor out of the Contract for Work shall be automatically extended by a period corresponding to the Customer's delay with payment, but always at least so that the Contractor is able taking into account its technical possibilities and contractual obligations to other parties – to produce and deliver the ordered work. For the avoidance of any doubt, it is hereby stipulated that the Contractor shall not be liable for any damage whatsoever that the Customer might suffer as a result of the Contractor's decision not to commence, or to suspend in full or in part, the production of the ordered work and/or not to hand over the ordered work to the Customer, if all that has been caused by the Customer's delay with payment under this Article.
- 4.6 The Customer shall not have the right to unilaterally set-off any of its receivables towards the Contractor against the Contractor's receivables towards the Customer under the Contract for Work.

## V. Quality of Work, Complaints, Liability for Defects

- 5.1 The Contractor shall execute each work in standard quality and performance that correspond with the agreed materials, processing technology and quality of the supplied materials/documents. If a work does not comply with this provision and the Contract for Work, it shall be deemed as defective. For the purposes of the Contract for Work, the application of the provisions of section 1916 par. 1 of the Civil Code shall be excluded.
- 5.2 The Contractor shall be liable for any defects that the work had at the time of transferring the risk of damage to the work. The Customer shall ensure that an inspection of the work is carried out immediately at the place of takeover or immediately after the Customer was allowed to have the work at its disposal. An inspection of the work shall in particular mean an inspection of the quantity, quality, performance and packaging of the work.
- 5.3 The Customer shall claim any defects in writing (hereinafter „Complaint“) immediately after an inspection was or should have been carried out. However, the Complaint must be delivered to the Contractor no later than within seven (7) calendar days after the delivery date of the work; otherwise any claims related to defects shall cease to exist. Each Complaint must contain the following information: a specification of the defect, the extent of the defect, the chosen method of resolution or removal of the defect and documentation of its existence to the Contractor by delivering at least 1% of copies of the total work delivered that contain the same defect being complained about. After sending the Complaint, the chosen method of removal of the defect may not be changed by the Customer without the Contractor's consent. In case of the Complaint of any defects, the copies of the work under the Complaint must be stored separately from the other work until the Complaint is processed and without the Contractor's prior consent the Customer may not do anything with such copies what would examination of the defects in question make more difficult or impossible. If the Contractor requests so, the Customer shall return all the defective copies under complaint to the Contractor for examination within seven (7) days after the delivery of such request.
- 5.4 If a work is defective, the Customer shall be entitled to have the defect(s) removed by delivering new copies of the work or by repairing the already printed copies of the work (provided that such repair is possible and is not unreasonably expensive) or shall be entitled to be granted a reasonable discount off the price of the work. The Customer shall not be entitled to withdraw from the contract, unless it was already evident during execution of the work that with regard to the circumstances the later delivery of repaired or new copies of the work is out of question and unless the defective copies are completely useless and concern more than 30% of the total volume of the work. If the Complaint about a defect is resolved in one of the above-mentioned ways, the Customer shall not have any concurrent right to receive compensation for damage caused by the defect complained about.
- 5.5 If, as part of its claims arising from a defective work, the Customer opts for the delivery of repaired or new copies of the work, these copies shall be delivered under similar delivery terms as the original work (especially as regards the delivery deadlines, method and place).
- 5.6 If it turns out that the defects are irreparable or that their repair would result in unreasonable expenses, the Customer may ask for the delivery of new copies or for an appropriate discount, if the Customer announce it to the Contractor without undue delay after the Customer is notified of this fact by the Contractor. If the Customer fails to do so, the method of resolving the Complaint will be chosen by the Contractor.
- 5.7 If the Contractor within a reasonable time after receipt of a justified Complaint, fails to repair defects of the work or fails to deliver new copies of the work, the Customer may demand an appropriate discount off the price of the work that corresponds to the price of the defective copies of the work.
- 5.8 In the event that the actual quantity of the delivered copies of the work is smaller than the ordered quantity by no more than 0.5%, the Customer may only demand a discount off the price of the work in an amount equal to the agreed price of the undelivered copies of the work. The delivery of missing copies of the work is not possible until the case when more than 0.5% of the ordered quantity of the work is missing.
- 5.9 No Complaint shall affect the obligation to pay the full price of the work ordered. In the event of a Complaint, the Customer shall have no right to withhold any part of the price of the work.

## VI. Withdrawal and Compensation for Damage

- 6.1 In the event of a material breach of the Contract for Work, the affected party shall have the right to withdraw from the contract with effect from the day when a notice of withdrawal is delivered to the other party and to demand compensation for the damage thus incurred. In particular the following shall be deemed as a material breach of contract:
  - a) if at least 30% of the work is delivered with serious defects which prevent from using the work for the defined purpose and, at the same time, it is not possible to remove these defects, because already during execution of the work it was evident that, with regard to the circumstances the later delivery of the work without defects is out of question;
  - b) the Customer is in delay with the payment of the agreed price of the work or with the handover of materials necessary for execution of the work by more than seven (7) days; or
  - c) in the event of a significant breach of any obligations under the Contract for Work, of which the breaching party has been notified in writing and in respect of which an adequate time-limit has been granted to remove such breach.
- 6.2 The compensation for any damage caused by a breach of contractual obligations or by a defect of the work shall be governed by the provisions of the Civil Code. However, the Contractor shall only compensate the Customer for the actual damage suffered, but not for any indirect or consequential loss or damage or lost profits. In connection with the claims for damages, the Customer may not withhold any payments that it is obligated to pay the Contractor under individual Contracts for Work and may not set-off such claims against payments for other works produced by the Contractor.
- 6.3 The Contractor shall be relieved from the duty to fulfil its contractual obligations, as well as from its liability for damage, in the event that the Contractor is prevented from fulfilling its obligation by an extraordinary, unforeseeable and unsurpassable obstacle that has arisen independently from the Contractor's will or in the event of occurrence of circumstances excluding the Contractor's liability. Extraordinary, unforeseeable and unsurpassable obstacles and circumstances excluding the Contractor's liability shall include, among other: natural disaster, strike, long-term cut-off of power supply, technical failure, epidemic, interventions by public administration authorities, etc.

## VII. Final Provisions

- 7.1 The contractual relations shall be governed by the laws of the Czech Republic, especially by the Czech Civil Code.
- 7.2 The Customer shall notify the Contractor of any change of its identification data without undue delay after such a change occurs. If the Customer fails to fulfil this obligation, the Contractor shall be entitled to receive compensation for any damage resulting from the breach of this obligation by the Customer.
- 7.3 Any and all information that the Customer learns and any and all documents that it obtains in connection with the Contract for Work shall be deemed confidential and as the Customer's trade secrets and the Customer shall keep this information and documents confidential and shall not disclose them to any third party or to the public, even after termination of the contractual relationship with the Contractor. If the Customer discloses such information while performing its statutory duty or discloses such information to persons who are required by law to keep such information confidential, this shall not be deemed as a breach of this obligation.
- 7.4 The provisions of section 1799 of the Civil Code on the ineffectiveness of clauses in an adhesion contract that refer to the terms and conditions stipulated outside the text of the contract and the provisions of section 1800 of the Civil Code on the ineffectiveness of clauses that can be read only with extreme difficulties, incomprehensible clauses, particularly disadvantageous clauses or clauses deviating from clauses that are customary for the contractual relationship established by this Contract for Work shall not apply.
- 7.5 The limitation period within the meaning of section 630 of the Civil Code shall be extended to fifteen (15) years from the time when it started to run for the first time. This extension applies to all the rights arising out of or in connection with the Contract for Work.
- 7.6 The Customer waives the right to demand cancellation of the Contract for Work by a court under section 2000 of the Civil Code. The Customer hereby also waives the right to claim invalidity of the proper conclusion of the Contract for Work.
- 7.7 Beyond the scope of the express provisions of the Contract for Work, no rights and obligations shall be derived from the current or future practice established between the Customer and the Contractor.
- 7.8 If any of the provisions of the Contract for Work or of these GBT turns out to be void (null), the impact of this defect on the other provisions of the Contract for Work shall be assessed similarly in accordance with section 576 of the Civil Code.
- 7.9 Any disputes arising out of or in connection with the concluded Contract for Work shall be decided by the courts of the Czech Republic according to the laws of the Czech Republic. The local jurisdiction for the resolution of an potential disputes shall always belong to the District Court for Prague 1 (Obvodní soud pro Prahu 1) and for disputes that are decided in the first instance by a regional court it shall belong to the Municipal Court in Prague (Městský soud v Praze).
- 7.10 In the case that these GBT is drafted in Czech and another language, and should any discrepancies arise between those language versions, the Czech version of these GBT prevails.
- 7.11 The Contractor reserves the right to change or amend the GBT at any time. Any changes to the GBT shall come into effect on the day of their publication on the Contractor's website [www.europrint.cz](http://www.europrint.cz).
- 7.12 These General Business and Delivery Terms and Conditions shall become valid and effective as of 1 March 2014.