

GENERAL ORDER TERMS AND CONDITIONS

of
ROBE lighting s.r.o. COMPANY

Part I.

Introductory Provisions

1.1 General Order Terms & Conditions of ROBE Lighting s.r.o. Company (hereinafter also referred to as "**Order Terms**") govern, in accordance with generally binding effective legislation, conditions of Contract for the Delivery of Goods or Services between ROBE lighting s.r.o., as a Client on the one hand and the Contractor (whose goods or services are subject to delivery), on the other hand, and further regulate the rights and obligations of the contractual parties arising from such contracts for the supply of goods or services.

1.2 These Order Terms are an integral part of the Contract for the Delivery of Goods or Services concluded between ROBE lighting s.r.o., as a Client on the one hand and the Contractor (i.e. a person who is required under the concluded contract of ROBE Lighting s.r.o. to deliver goods or perform the agreed services – as per case) on the other hand, while the subject of such a delivery contract is in particular a Contractor's commitment to deliver the agreed goods duly and in time to the Client and to transfer proprietary rights to the goods (or to perform services duly and in time and pass these services to the Client), and a Client's commitment to accept the delivered goods and to settle the agreed price for the goods (or for such services) from the Contractor (such specified contract to supply goods or services hereinafter only as "**Delivery Contract**"). If goods are the subject of delivery, then the nature of such an agreement is Purchase Contract, if services are the subject of delivery, then the nature of such an agreement is Contract for Work (or a contract according to the provisions of § 269 section 2 of the Commercial Code, unless the nature of service work is in sense of relevant arrangements of the Commercial Code).

1.3 By concluding the Contract of Delivery the Contractor (whether by signing separate contracts referring to these Order Terms and Conditions, or by accepting an order of ROBE Lighting s.r.o., or by another timely action, from which his/her consent to such an order may be inferred from) confirms that he/she was adequately well familiarized with these Order terms and Conditions, and agrees with them unconditionally.

Part II.

Participants of the Contract, Regulation of the Contractual Relationship

2.1 Participants of the Contract of Delivery are:

1) ROBE lighting s.r.o., based in Rožnov, Hážovice 2090, Postcode 756 61, Czech Republic, Identification Number 640 88 791, as a Client (ROBE lighting s.r.o. Company, hereinafter also as "**Client**");

2) The Contractor, which may be a natural or legal person as an entrepreneur (also referred to as "**Contractor**").

2.2 The contractual relationship between the Client and the Contractor is governed by Delivery Contracts concluded between the aforementioned parties (which also includes these Order Terms and Conditions) and the relevant generally binding legal regulations. The legal relationships established by the Delivery Contract is governed by the laws of the Czech Republic, in particular by Act No. 513/1991 Coll., Commercial Code. Application of the UN Convention on the International Sale of Goods in contractual relationships established by the Contract of Delivery will be excluded.

Part III.

Formation of Delivery Contract

3.1 Delivery contracts may be concluded either (i) as a single contract (with the manifestation of will of the parties made on the deed or at the same moment), or (ii) on the basis of the Client's order (upon Delivery Contract draft) sent to the Contractor; in the latter case, the Delivery Contract is entered upon receipt of confirmation (acceptance) of the Client's order by the Contractor or by another Contractor's timely action, from which his/her agreement with such an order may be inferred.

3.2 Orders, their confirmations and other operations associated with entering into Delivery Contracts may be made in writing or by fax or by electronic mail (e-mail).

3.3 Delivery Contract gives rise to:

(i) in case it concerns a Delivery of Goods, a Contractor's commitment to deliver to the Client in a regular manner and in time the agreed goods and to transfer to him/her the title to the goods, and a Client's commitment to accept the supplied goods and to pay the Contractor the agreed price,

(ii) in case it concerns a Delivery of Services, a Contractor's commitment to perform thorough and timely services and to hand these services to the Client, and a Client's commitment to accept these performed services and to pay the agreed price for these services to the Contractor (remuneration)

all this under conditions stipulated in the Delivery Contract.

3.4 Contents of the Delivery Contract is stipulated in a specific text of the Contract, these Order terms and Conditions (which are a part of the Delivery Contract), or by other terms and conditions attached to the Delivery Contract as its integral part. Any changes of the Delivery Contract can only be made by mutually agreed amendments made in writing or by fax or electronically (by email).

Part IV.

Delivery of Goods

4.1 Arrangements made hereunder in Parts 4.2 – 4.7 are employed if their subjects are deliveries of goods. In these cases, the arrangement of Part V. does not apply.

4.2 The Contractor shall deliver the goods specified in the Delivery Contract to the Client under the DDP terms, Client's plant at: Valasske Mezirici, Palackeho 232, Postal Code 757 01, Czech Republic (Incoterms 2000) unless stated otherwise in the actual text of Delivery Contract. Under such delivery terms, unloading of goods from incoming vehicles shall be provided by the Client and the Client shall bear the costs and the risk of damage to the goods during unloading.

4.3 Handover protocols concerning handover and acceptance of goods shall be drawn up between the parties (or a carrier) (or another proof of goods delivery). The Client's signature under a handover protocol (or another evidence of delivery) does not confirm faultlessness of the delivery. The Client's (or by another person appointed by the Client) confirmation of the handover deed (or another evidence of delivery) does not affect the Client's right to set up any claims for obvious defects in the delivered goods.

4.4 Earlier delivery is possible only with the prior written, fax or electronic (email) consent of the Client, and such consent must include an earlier delivery date. In the event that the Contractor is unable for any reason to deliver the agreed ordered goods in the agreed quantity and / or date, it shall notify the Client without any undue delay either in writing or by fax, so that the Client can take adequate measures. The Contractor's liability for damages is not affected.

4.5 Order principles do not allow any quantitative or qualitative variations of deliveries unless agreed by the parties expressly otherwise. A partial delivery is possible only with the prior express written, fax or electronic agreement of the Client.

4.6 The Contractor is responsible for wrapping up the goods before their delivery at his/her own costs, as agreed in the Delivery Contract, or for wrapping up the goods in the usual manner which corresponds with the agreed delivery method, and for protecting the goods against damages and destructions during transport and storage. The goods will be delivered packaged in a way which, by its nature is suitable for packaging of goods (particularly with regard to the goods characteristics, and their other uses), and to protect the goods from damage and deterioration (during handling, transport, storage). Unless the goods are packed at the time of delivery according to the hereinabove condition, the Client is not under any contractual obligation to accept the goods from the Contractor; in such cases the delivery is considered incomplete. The Contractor is responsible to the Client for any damages caused by destruction and / or damage and / or loss and / or breakage of the delivered goods (or any part thereof) for failing to comply with the hereinabove conditions negotiated for packing the goods.

4.7 If required by the nature of goods, the Contractor is obliged to deliver, as a part of the delivery, to the Client such documentation and records relating to the delivered goods which are necessary for acceptance and use of goods. In this case the documentation will be supplied in Czech, English and Russian language versions, unless expressly agreed otherwise by the parties.

Part V.

Delivery of Services

5.1 Arrangements stipulated hereinafter in Parts 5.2 – 5.9 shall apply if the subject of delivery are services. In such a case, arrangements in Part IV.do not apply.

5.2 The Contractor will perform services at its headquarters and its other facilities, unless expressly agreed otherwise by the Parties. If the implementation of the agreed services requires transport of the Client's things which call for servicing to the facility providing services, the transportation to the place of execution services shall be provided by the Client at their expense unless agreed otherwise by the Parties.

5.3 The Contractor shall carry out the agreed services on their behalf, at their expense and at their own risk. Services may be carried out by a third party (a subcontractor) only with the prior consent of the Client made in writing or electronically (by email). In this case and under the Client's consent, the Contractor is responsible for the result of activities performed by the subcontractor as if they are performed by the Contractors themselves.

5.4 Any tools, equipment, materials, measuring instruments needed to carry out the agreed services, including transportation to the location of the services are provided at the expense of the Contractor, unless agreed expressly otherwise by the Parties.

5.5 The Contractor is required to carry out the agreed services in order to comply with all safety and legal regulations in force and effective at the place of service implementation. The Contractor is responsible for proceeding with implementation of the services with due professional care.

5.6 The Contractor shall hand over (deliver) to the Client the carried out services in an agreed delivery date, and at the Client's facility at: Valasske Mezirici, Palackeho 232, Post Code 757 01, Czech Republic, if not stated otherwise in the actual text of the Delivery Contract. Any potential transport from the place of service to the place of its handover to the Client, the Contractor shall bear the transportation costs of the delivery unless agreed otherwise by the parties. In terms of delivery of such goods, the costs of unloading off the incoming transportation vehicle shall be born by the Client; the risk of damage to the goods during their unloading shall be born by the Client.

5.7 The handover (delivery) of services will be agreed between the Parties (or a carrier) in a written handover protocol (or a delivery note or another proof of delivery). The Client's signature under a handover protocol (or another evidence of delivery) does not confirm faultlessness of the delivery. The Client's (or by another person appointed by the Client) confirmation of the handover deed (or another evidence of delivery) does not affect the Client's right to set up any claims for obvious defects in the delivered goods.

5.8 Earlier delivery is possible only with the prior written, fax or electronic (email) consent of the Client, and such a consent must include an earlier delivery date. In the event that the Contractor is unable for any reason to deliver the agreed ordered goods in the agreed quantity and / or date, it shall notify the Client without any undue delay either in writing or by fax, so that the Client can take adequate measures. The Contractor's liability for damages is not affected.

5.9 In principle the Client does not allow any quantitative or qualitative variations of deliveries unless agreed by the parties expressly otherwise. A partial delivery is possible only with the prior express written, fax or electronic agreement of the Client.

Part VI.

Acquisition of Ownership, Transfer of the Risk of Damage

6.1 Ownership right to the delivery is transferred to the Client at the time

the transfer protocol (or another deed) is confirmed by the Client (or by a person nominated by the Client).

6.2 The risk of damage to the delivery passes to the Client at the time the handover certificate (or another deed) is confirmed by the Client; provisions of the last sentence in Part 4.2 after the semicolon and the last sentence of Part 5.6 after the semicolon is not affected.

Part VII.

Payment Terms

7.1 The price for the delivered goods or services will be settled based on invoices (tax documents) issued by the Contractor to be chargeable to the Client. The Contractor is entitled to deliver an invoice to the Client for the delivery of goods or services with the invoiced delivery. Any invoices issued earlier are not taken into account. Each invoice must meet all requirements of sound tax receipt.

7.2 The maturity of the invoices issued by the Contractor will be min. 90 days unless agreed expressly otherwise by the Parties. The price of the delivered goods or services is understood to be settled at the moment the relevant amount is debited from the Client's bank account.

7.3 The Contractor is not entitled to transfer his/her receivables towards the Client, and in respect to the Delivery Contract, onto any third parties without the prior written consent of the Client. To assign a claim made without the prior written consent of the Client is invalid.

Part VIII.

Liability for Defects, Complaints, Warranty

8.1 The Contractor is fully responsible for the quality and reliability performance of the delivered goods and services, and guarantees that the delivered goods and services meet the requirements agreed in the Delivery Contract and also generally binding legal regulations, general technical (and international) regulations and standards which relate to the delivered goods or services and to the manner and purpose of its / their application, or usual requirements. The Contractor entering into a Delivery Contract confirms that he/she is aware of further applications of the delivered goods or services; the Contractor entering into a Delivery Contract further confirms that he/she is aware of how the delivered goods or services will be used in the Client's production and what the significance of such goods or services is in the Client's final products, as well as to which purpose and application these final products will be used (which production will use the delivered goods and services) and therefore which damages may arise to the Client in the event of bad performance by the Contractor (namely qualitative). Quality of the goods and services for the purposes thereof, is to be understood to include medical, hygienic and environmentally friendly soundness which corresponds with application purposes. The Contractor undertakes to deliver the goods or services in accordance with the hereinabove standards, consistent with current legislation and current regulations (in particular with technical standards, including international standards).

8.2 If a Quality Contract is concluded between the Parties (regulating the required quality of products or services beyond these Order Terms and Conditions), the Contractor is obliged to deliver the goods and services in quality that will respect the agreements concluded in the Quality Contract.

8.3 For production of goods and for services the Contractor shall use only such materials whose processing and technologies meet the highest international standards achieved in the world for production of goods or services of the same nature as those agreed.

8.4 Should the goods or services be delivered by the sample or template, the Contractor is obliged to deliver the goods or services with the characteristics of the sample or template submitted to the Client. Any technical, technological or other changes of the goods and services (compared to the submitted sample and / or against previous deliveries of the same goods or services), the Contractor shall first discuss such changes with the Client and they shall both agree to such changes.

8.5 The Contractor is responsible for ensuring that the delivered goods and services shall be free of any legal or other defects, and no copyright or other rights of the third Parties shall be violated (including industrial property rights).

8.6 By entering into the Delivery Contract the Contractor assumes liability

for the quality and reliability performance of the delivered goods (or services – as per case), 24 months following the delivery date (or in case of service delivery from its handover to the Client), unless agreed expressly otherwise by the Parties. By this warranty the Contractor assumes an obligation that, inter alia, that the delivered goods and services throughout the agreed warranty period shall maintain the characteristics and suitability for the agreed application, or for common application. If the contracted goods or services are not delivered at the same time, the warranty period will be counted separately for each goods or services. The Client may set up a responsibility claim for defects in deliveries no later than by the end of the warranty period stated hereinabove. The warranty period does not run as long as the Client cannot use the delivered goods or services due to defects attributable to the Contractor, and for the period in which the Client exercises his/her rights at the Contractor until the claim is properly set. The herein stated warranty period is extended by the herein time periods.

8.7 Defects in delivery are applied by the Client at the Contractor in writing, by fax or electronic mail (e-mail) without any undue delay after having discovered such defects, that is

- (i) quantitative defects and other apparent defects within thirty (30) days after the delivery (If the Delivery Contract or its agreed Delivery Terms and Conditions states a different delivery place from any Client's facilities, then the transport from the delivery place to the Client's plant is ensured by the Clients themselves or through a carrier supplied by the Clients, then the 30-day period is counted from the time the goods or services arrive at any Client's plant) .
- ii. other defects during the warranty period without undue delay after their discovery.

The Client shall claim defects and their characteristics and a method of requested settling of the claim (by selecting from all claims listed in the following part). The Client is obliged to inspect the delivered goods in sense of § 427, section 1 Commercial Code no later than thirty (30) days from the acceptance of delivery (If the Delivery Contract or its agreed Delivery Terms and Conditions states a different delivery place from any Client's facilities, then the transport from the delivery place to the Client's plant is ensured by the Clients themselves or through a carrier supplied by the Clients, then the 30-day period is counted from the time the goods or services arrive at any Client's plant) .

8.8 When applying any faults in delivery the Client may

- (i) require removal of defects (legal and / or de facto), or
- (ii) require an alternative performance, or
- (iii) request a reasonable price discount, or
- (iv) withdraw from the Delivery Contract (or only if in some of its parts).

The Client can choose any herein claims without any restrictions. The Client is obliged to inform the Contractor about his/her choice, together with a notice of the occurrence of defects in the delivery. The Contractor is obliged to respect the Client's choice when processing the claim.

8.9 The Contractor is required to settle the claim within ten (10) working days following the report on defects and transfer of faulty delivery (or its part) to the Contractor unless agreed otherwise by the Parties. Method of settling the claim is determined by the Client (see previous article). The Contractor is required to settle the claim (and to perform any measures required by the Client) free of charge and without being entitled to reimbursement of travel expenses and other related costs (these costs are fully borne by the Contractor). In case of the Contractor's delay in settling the claim, the Client is entitled to charge the Contractor a contractual fine amounting to 0.5% of the price (VAT included) agreed in the specific Delivery Contract for each day of delay in settling the claim. The Client is entitled to compensation for any damage that is not affected in any way.

8.10 The Contractor is fully responsible for any damages incurred to the Client in consequence of and / or in relation to the occurrence of defects in deliveries, and such damages (including lost profits), shall be settled by the Contractor to the Client. The Client is entitled to compensation of any costs incurred as a result and / or in relation with exercising his/her rights of liability for defects in deliveries. Compensation costs are borne by the Contractor.

Part IX.

Sanction Arrangements

9.1 In case of the Contractor's delay in delivering the goods (or services – as per case), the Client is entitled to charge the Contractor a contractual fine of 0.2% of the total agreed price (VAT included) for the specific delivery and for each day of delay. Regardless of any payments hereinabove, the Client is entitled to compensation of any damages incurred as a result of the Contractor's delay in delivery. If the Contractor is in delay with the delivery for more than two (2) months, the Client will be entitled to withdraw from the Delivery Contract. In this case, the Contractor shall not be entitled to reimbursement of any part of the negotiated price for deliveries or to any other compensation or reimbursement of any expenses or other amounts (in case the price has already been settled, the Contractor is obliged to return this settled amount promptly to the Client).

9.2 In case of the Client's late payment of the agreed price for delivery (or a part thereof), the Contractor is entitled to require that the Client also settles the amounts due with interest, amounting to 0.05% of the amount due for each day of delay.

Part X.

Governing Law, Dispute Settlement

10.1 Legal relationships established by the Delivery Contract and disputes arising in connection with the Contract will be governed by the laws of the Czech Republic, in particular by Act No. 513/1991 Coll., Commercial Code. Application of the UN Convention on the International Sales of Goods contract arising from the Delivery Contract is excluded.

10.2 Any disputes arising from the Delivery Contract, including the settlement of contract-related relations, and questions of validity or invalidity of the Contract which cannot be eliminated by negotiations between the Parties, shall be resolved definitively by the Arbitration Tribunal of the Arbitration Court at the Economic Chamber of the Czech Republic and the Agricultural Chamber of the Czech Republic in accordance with the arbitration rules of the herein court; the arbitration tribunal will consist of three arbiters. The venue of arbitration shall be in Brno. The arbitration shall be conducted in the Czech language. Czech law shall be the governing law. Each Contracting Party shall appoint one arbiter from a list of arbiters maintained by the Secretary of the Arbitration Court. Dva rozhodci takto jmenovaní zvolí ze seznamu rozhodců předsedu rozhodčího senátu. The two arbiters thus appointed shall elect a presiding arbiter from the list of arbiters. If the Contractual Parties have not appointed an arbiter within thirty (30) days from the date when the court thus requires, or if the appointed arbiters within fourteen (14) days of their appointment do not choose a presiding arbiter, then an arbiter or a presiding arbiter shall be appointed by President of the Arbitration Court. The Contractual Parties shall submit to the jurisdiction of the herein Arbitration Court and accept the arbitration finding and its enforceability.

Part XI.

Final Provisions

11.1 In the event of conflict with the terms of these Order Terms and Conditions and with one's own text of the Delivery Contract (beyond these conditions), the wording of one's own Delivery Contract takes priority over Order Terms and Conditions.

11.2 The wording of Delivery Contract, and all information that the Contractor has learnt or will learn in connection with the negotiation or implementation (mainly on the Client's production processes and know-how), will be treated by the Contractor as confidential (hereinafter also referred to as "**Confidential Information**"). The information that is publicly available or known at the time of their application or disclosure, and if their public accessibility and awareness has not occurred as a result of breaching statutory or contractual obligations, will not be considered Confidential Information. In case of any doubts, the information is presumed to be Confidential Information. The Contractor shall, without the prior written consent of the Client, (i) refrain from using confidential information for purposes other than for purposes of the Delivery Contract and its performance, (ii) to refrain from publication, and other revealing confidential information to the third Parties, except for their legal representatives. Confidential Information can be provided to these persons only if they are committed to maintain such information confidential as if they are a Party to this Contract. Even if the Delivery Contract is terminated, the Contractor shall continue to keep Confidential Information secret, until the time when they become generally known by methods other than by breaching this Contract, or the Client shall no longer keep such information secret; in case of doubt, confidentiality remains in existence.

10.3 These Order Terms and Conditions come into force on 01.01.2010.

