

General Commercial Terms and Conditions of the business company POLYGRAF PRINT, spol. s r. o.

I.

General commercial terms and conditions of the business company POLYGRAF PRINT, spol. s r. o., having registered seat at Čapajevova 44, 080 17 Prešov, Slovak Republic, company reg. No.: 31 733 280, company registered in the Companies Register of the District Court Prešov, section: Sro, file No.: 3270/P (hereinafter referred to only as the "GCTC") specify in more detail rights and obligations of contracting parties from concluding contracts for work entered into between the business company POLYGRAF PRINT, spol. s r. o., having registered seat at Čapajevova 44, 080 17 Prešov, Slovak Republic, company reg. No.: 31 733 280 (hereinafter referred to only as the "contractor") and the client who can be either physical individual or legal entity.

II.

- 1) The legal relation between contracting parties is governed by provisions of the contract for work, GCTC and Commercial Code.
- 2) These GCTC form part of every contract for work concluded and entered into by and between the contractor and the client, unless the application of GCTC or application of certain provisions of GCTC, respectively, is explicitly excluded in the future contract for work executed by contracting parties.
- 3) GCTC shall be binding for parties to the contract for work at all times, except when agreed otherwise by the client and contractor.
- 4) Any agreements between the contractor and the client, the content of which differs from the content of provisions of GCTC, shall be executed in written form, otherwise they shall not apply. The written form of execution of such agreement shall be also the case when one contracting party proposes in the contract for work draft to execute the contract with conditions differing from conditions as specified in GCTC and the other party accepts such proposal.
- 5) The contract for work between contracting parties shall be deemed executed on the date of acceptance of the proposal for execution of contract (order) of the client by the contractor, what shall be confirmed by the contractor by signing the order of the client and notifying the same to the client, of on the date of signing the written contract for work by both contracting parties, respectively.
- 6) The order shall be in written form and shall be signed by the client. In case of illegible, incomplete, ambiguous or incorrect data in the order the contractor shall be entitled to ask the client for completion of the same. Data stated by the client in the order shall be binding.
- 7) Definitions of terms used in GCTC are specified in the Annex No. 1 - Definitions.

III. BINDING NATURE OF QUOTATIONS

- 1) Elaborated price quotations of the contractor shall be binding for the contractor for the period of 60 days from the date of sending the same to the client.

IV. PAYMENT TERMS:

- 1) Duly issued invoices of the contractor for the supplied work shall be payable pursuant to terms and conditions as stipulated in the contract for work (order). The due date of monetary liabilities shall be in compliance with provisions of Section 340a and Section 340b Commercial Code.
- 2) The date of crediting the outstanding amount to the bank account of the contractor shall be deemed the date of payment.
- 3) The invoice of the contractor can in addition to essentials as stipulated by generally binding regulations also the number of contract for work (order).
- 4) In case of publication delivery to both domestic and foreign clients, the invoice shall contain also the delivery note signed by the recipient.
- 5) Should the invoice of the contractor fail to comply with prescribed essentials, the client shall be entitled to return such invoice and request issuance of a correct invoice.

- 6) The due date for payment of the price of work by the client is specified by the number of days. Should the client fail to pay the price of work to the contractor within the contractually agreed period and the work was delivered within contractually agreed date, the contractor shall be entitled to charge the client interest on delayed payment in the amount of 0.05% of the price of work for each day of delay. The client acquires title to the work only by full payment of the agreed price.

V. DELIVERY DATE AND STORAGE:

- 1) The delivery date as stipulated in the contract for work (order) is fixed. Premature or delayed performance by the contractor is possible only on the grounds of written consent of the client.
- 2) Should the client get into delay with the delivery of print input materials, the client shall be obliged to respect the postponement of the work performance and the contractor shall notify the client about the new delivery date for the work. Should the client fail to react without unnecessary delay to notifications of the contractor that submitted print input materials are unsuitable, the contractor shall be entitled to withdraw from the contract.
- 3) Partial performance of the contractor is allowed only with the written consent of the client.
- 4) In case the goods (publication) is not dispatched within the agreed dispatching date, goods shall be stored for the client and the client will be charged for such storage the fee in the amount of 5 EUR for each storing pallet for each started calendar month.

VI. PRINT INPUT MATERIALS:

- 1) The client undertakes to supply print input materials to the contractor according to previously agreed time schedule of the order. (Annex No. 2 – Order time schedule.) The client shall be obliged to deliver print input materials to the contractor according to instructions specified on the website www.polygrafprint.sk.
- 2) Print input materials delivered to the contractor by the client can be disposed of only by the client.
- 3) Print input materials necessary for the performance of the contract for work (order) shall be duly stored by the contractor during the performance of obligations from the contract for work so that their quality would not be disturbed.
- 4) The contractor keeps print input materials for the period of 4 years from the date of receiving the order. After the end of such period print input materials will be destroyed. If the client requests return of print input materials in writing, print input materials shall be returned to the client within 14 days from the request date. Print input materials will be returned on request of the client only after full payment of the price for performed work.

VII. QUALITY GUARANTEE AND COMPLAINTS:

- 1) The contractor guarantees the quality of work (execution of delivered publications) for the period of 21 days after dispatching publications to the client.
- 2) In case the client finds any defects (qualitative, quantitative) of the delivered work, it shall inform the contractor about found defects without unnecessary delay after finding them and present a written complaint to the contractor including documentation (damaged publication, photo documentation, ...) for the assessment of the defect within 7 days from the date of finding the defect. The contractor shall be obliged to inform the client about the result of the internal complaint procedure within 14 days from the date of receiving the written complaint with documentation.
- 3) If the complaint is justified, the contractor shall be entitled to decide about the method of dealing with the complaint, either in form of substitute delivery or price discount.
- 4) The contractor shall not be liable for defects of work if such defects were caused by using things provided to the contractor for processing by the client. The contractor shall also not be liable for defects caused by complying with unsuitable instructions given by the client, provided the contractor notified the client about the unsuitability of such instructions and the client insisted on complying with them or the contractor could not find such unsuitability out.

IX. TOLERANCE:

- 1) The allowed tolerance between the agreed and delivered volume shall be:
 - 4% for volume of 1000 pieces, 2% for volume of 20000 pieces, 1% for volume exceeding 20000 pieces.
- 2) In case the client would exclude in the contract for work (order) the option of goods delivery below the contractually agreed (ordered) volume, the contractor shall be entitled to deliver the agreed volume to the client increased by the volume equalling double the allowed tolerance as specified above in section IX.(1) of these GCTC.

- 3) In case the client would exclude in the contract for work (order) the option of goods delivery above the contractually agreed (ordered) volume, the contractor shall be entitled to deliver the agreed volume to the client decreased by the volume equalling double the allowed tolerance as specified above in section IX.(1) of these GCTC.
- 4) If the production is stopped on request of the client during the course of production of the agreed (ordered) work, or if the client by its actions (e.g. not submitting print input materials according to the agreed time schedule and so on) disables the contractor to start or continue production of the agreed (ordered) work, the contractor shall be entitled to withdraw from the contract and the client shall be obliged to reimburse all costs of the contractor incurred to it in relation to the production of work together with 10.00% extra charge as the compensation for lost profit of the contractor.
- 5) The allowed tolerance in the paper weight shall be + / - 4%.

X. PACKAGING AND TRANSPORT:

- 1) In case the work is transported on pallets, the contractor shall be entitled to use exclusively EUR-pallets. The order shall specify the type of pallet for work (publications) packaging.
- 2) The contractor shall use solely the following packaging materials for the production of work (publications):
 - taping only with the PE tape,
 - paper shall be solely used as filling material,
 - packaging foil.
- 3) The method of transport of work (publications) shall be specified in the contract for work (order) pursuant to applicable delivery conditions INCOTERMS 2010.
- 4) The client shall inform the contractor in writing about transport dispositions and the delivery place for goods at least 7 days prior to the agreed dispatching date, unless already agreed in the contract for work (order). If transport costs are increased due to the change of transport dispositions as compared to the order, such additional costs shall be borne by the client.

XI. CHANGES OF THE CONTRACT FOR WORK:

- 1) Each additional change of the contract for work (order) shall be agreed in writing. The agreement about the change of any GCTC provision or invalidity of any GCTC provision due to the change of generally binding legal regulations shall not affect remaining GCTC provisions.

XII. CANCELLATION OF THE CONTRACT FOR WORK:

- 1) The contractor shall be entitled not to perform the contract on request of the client in case there has occurred a change of conditions on the market. The contractor shall be in such case entitled to compensation of demonstrably incurred costs provided that the client shall be obliged to prove that there has occurred a change in market conditions.
- 2) Circumstances deemed to relieve contracting parties of liability for non-performance of this contract shall be only: war, strike, natural disaster.

XIII. NON-DISCLOSURE OF THE BUSINESS SECRET:

All information learned about by contracting parties in relation to the execution of GCTC, contract for work or in relation to the performance of the same are confidential and no contracting party shall disclose them to any third party.

XIV. GOVERNING LAW AND CHOICE OF COURT JURISDICTION:

- 1) The contractual relation between the contractor and the client arising from the contract for work shall be governed by the legislation of the Slovak Republic.
- 2) Contracting parties agreed that the jurisdiction to decide disputes from this contractual relation shall belong only to the Slovak court, namely the court in Prešov.

XV. FINAL PROVISIONS

Conditions not stipulated in the contract for work (order) nor in the GCTC shall be governed by provisions of the Commercial Code.

Annex No. 1 – Definitions

Order - written specification for the delivery of printed or book-binding services with the stipulation of technical specification, volume, place and method of delivery of publications under the agreed price between both contracting parties confirmed by signatures of both the contractor and the client.

Contracting parties - the contractor and the client jointly.

Transport dispositions - specification of the type of packaging material, method of packaging of produced publications - what shall be the distribution of publications on the pallet, number of unloading, specific conditions of unloading (e.g. vehicle with ramp).

Publication – book-processed type in paperback or hardback binding or with spiral or joined with staple marked also as V1, V2, V4, V7, V8a.

Print input materials - printed materials supplied by the client that shall serve as the sample for print. These are most frequently certified digital imprints, client's clean sheets, specimen book ...

Annex No. 2 - Time schedule of the order

<u>Demand:</u>	<u>Order:</u>	Date:
Quotation number:		Salesman:
Name:	Publisher:	
Volume:	Number of pages:	Colour scale: 4/4
Format:	Binding:	Packaging:
Delivery of input materials on: PDF		Number of days in auto proof-reading: plotter from us?
Other: when shall be plotters approved?		
<u>Dispatching date requested by the client:</u>		

Technological operation:	Time in hours: / date of processing:
Processing of input materials - sending to the auto proof-reading:	
Return from the auto proof-reading - assembly after the auto proof-reading:	
Print:	
Skiving:	
Stitching:	
Other:	
Hanging - binding:	
Packaging:	

Deadlines according to the operative plan:	
Delivery of input materials:	
Sending to auto proof-reading / return from auto proof-reading	
Paper supply:	
Supply of specific materials:	
Sending of clean sheets:	
Sending of signal books:	
Proposed dispatching date according to the operat. plan:	
Note:	
Operative plan elaborated by:	Date: