

General business conditions

Seller:

Company name: **ELKOND HHK, a.s.**
Residence: Oravická 1874, 028 01 Trstená

Company ID: 36382841
Tax ID: SK2020129221
Bank: Všeobecná úverová banka a.s., pobočka Zvolen
Account number: SK75 0200 0000 0015 6467 7855, *SWIFT:* SUBASKBX

Represented by: Zdenko Krajč, chairman of the board of directors
Eva Vaterková, member of the board of directors

Registered in Companies Register of the District Court in Žilina, section: Sa, insert number 10137/L

1. Subject

1. These conditions are valid for all concluded contracts with cables and their accessories and they are indivisible part of the contracts of purchase. Contracting parties can deviate from these conditions only on the basis of bilateral written agreement.
2. Conclusion of the concrete contract will be realized based on seller's written confirmation of the order from buyer.
3. Order confirmation with their conditions can differ from general business conditions and that concrete case will follow rules described in order confirmation.
4. Order from buyer must contain:
 - Company name, address, company ID, tax ID, bank, account number, register indication and registration number
 - Order number
 - Date of issue
 - Quotation number if order is issued based on rules described at point 3. of these general business conditions
 - Product name (norm, tech. specification, color marking of the cores)
 - Quantity
 - Packing (rings, drums)
 - Transport method
 - Date of order performance
 - Delivery destination
 - Contact person, telephone number
 - Signature of the competent person with stamp of the buyer
5. Date of order performance confirms supplier within two working days from receipt of the binding written order.
6. In case that in contracts of purchase are not defined special technical conditions, goods are delivered in compliance with valid technical norms (STN, ČSN), which are defined in technical specifications and specify proper product quality.

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7. Nominal values mentioned in technical specifications or in products catalogue have informative values and therefore permitted deviations don't come under claim.
8. Certificates for the products which are from the production of the seller is buyer allowed to use exclusively at products sale which delivered direct seller.
9. In case of usage of the seller's certificates at the sale of the goods which doesn't produce or doesn't deliver seller, buyer will pay penalty in amount 33.000,- EUR for every certificate.
10. Quality and completeness of the goods delivery are indicated on the label of the technical control. Description on the cable has only informative character.
11. Delivered quantity can deviate from agreed quantity of the single product items about +/- 5 %. Invoiced will be actual quantity with tolerance of the measurement devices +1 %. If there are found out differences which are within this tolerance they don't come under quantitative claim.

2. Delivery terms

1. Delivery term of the delivered goods is EXW supplier's store. Supplier is entitled to make out invoice with resulting purchase price on the day of goods receipt with the price acknowledged in order confirmation.
2. In case of the special lengths which buyer ordered apart from standard packing from the store of the seller, seller can apply manipulative additional charge for cutting operation in amount of 10% from the agreed price.
3. In case that buyer cancels purchase of the goods , seller is entitled to claim contractual penalty namely:
 - a. 10 % from delivery price when cancelling before the start of production and purchase of raw materials
 - b. 20 % from delivery price when cancelling after the production start
 - c. 50 % from price of the quantity which wasn't received in case that all ordered quantity will not be received within 30 days after the agreed date.
4. At delayed payment more than 3 working days in case of the partial deliveries is seller entitled to stop another deliveries till payment of the outstanding amounts but seller will be not in delay.
5. Delivery stopping doesn't interrupt buyer's obligation to pay payment for delay.
6. At delayed payment more than 15 days, seller has a right one-side to withdraw from the further contract performance. It remains buyer's obligation to pay for delivered goods.
7. In case that invoice will be not pay till to maturity date, buyer is obliged to pay interest for delayed payment in amount 0,03% from outstanding amount for every delayed day.

3. Price conditions

1. Delivery prices are given:
 - a. With hollow price which doesn't content copper price and with adding copper price in relationship to actual exchange price on London raw materials exchange and metal

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weights according to actual valid BASE PRICE LIST and discounts. Discounts are created depend on deliveries size and cooperation prospects.

- b. With fixed prices, which are agreed based on special quotations calculated for integrated projects or for assortment which doesn't belong to the production portfolio. In these quotations can be mentioned also special commercial, price conditions and in case of order these special conditions are specified on the order confirmation – contract of purchase.
2. That way created price is price without VAT and doesn't involve transport costs towards the buyer.

4. Claim

1. Guarantee period is 24 months from the date of the delivery fulfilment.
2. Quantitative shortages buyer claims at personal handover at seller immediately on day of goods receipt. Concerning deliveries without buyer's presence at dispatch from seller, quantitative defects in delivery buyer claims in period till 3 days from acceptance from transporter.
3. As cause for quantitative claim is considered proven difference between goods quantity declared in given documents and actually delivered quantity.
4. The buyer is entitled to claim qualitative defects of the delivered products in guarantee period, which is specified in article IV., point 1.
5. As cause for qualitative claim is considered proven difference between declared quality and actual quality of the delivered goods, if actual quality doesn't attain declared qualitative parameters.

5. Vis major

1. No party will be responsible for entire or partial non-performance any of their obligations, if non-performance will be caused with such circumstances as flood, fire, earthquake and other catastrophes and also wars or war activities, which have arisen after contract conclusion. If any from such circumstances has influenced the performance of the obligations in period stated in contract then such period will be in due proportion postpone about period of effect of these circumstances.

6. Product packaging, wrappings and cutting of lengths

1. In case that cables are delivered on drums the supplier invoices drums at the same time as product on one and the same tax document. Cables will be delivered on the drums of the size:

	<i>Drum size</i>	<i>Marking</i>	<i>Diameter</i>	<i>Price/pc</i>
Wooden	60	60xxxxxxEFK	600	70,00 €
	70	70xxxxxxEFK	700	80,00 €
	80	80xxxxxxEFK	800	95,00 €
	90	90xxxxxxEFK	900	100,00 €
	100	100xxxxxxEFK	1000	130,00 €
	125	125xxxxxxEFK	1250	180,00 €
	140	140xxxxxxEFK	1400	250,00 €
	150	150xxxxxxEFK	1500	280,00 €
	160	160xxxxxxEFK	1600	330,00 €
	180	180xxxxxxEFK	1800	480,00 €
	200	200xxxxxxEFK	2000	700,00 €
Metal	100	100xxxxxxEFK	1000	200,00 €
	125	125xxxxxxEFK	1250	300,00 €
	150	150xxxxxxEFK	1500	500,00 €
	220	220xxxxxxEFK	2200	1000,00 €

<i>Reel type</i>	<i>Diameter</i>	<i>Price/pc</i>
Plywood drum	400 - 500	12 €
Plywood drum	600	16 €
Plywood drum	700	26 €
400 metalic	400	100 €
conical coil		30 €

Pallet for 400 metalic	83 €
Pallet EURO	22 €
Pallet 120x80	15 €

- The seller is obliged to deliver goods to the buyer in packaging which is usually used for packing of the delivered sort of goods and the buyer is obliged to take ordered goods in packaging and to pay packing price according to above mentioned table as far as there is another provision in contract of purchase.
- The seller is bind to buy back the drums from the buyer on conditions given below in this contract.
- Cable drums listed under registration numbers. The Seller is obliged to properly indicate his packaging using these numbers. These numbers are written on delivery notes at dispatch. The buyer is further obliged to take record and to manage these packaging according to this contract. In case of drums return to the seller, the buyer is obliged to write the registration numbers on the delivery note or on another transport document.
- The supplier buys back only undamaged packaging under following conditions:

Date of return	Invoiced amount (% of the sale price)
up to 3 months	85%

6. After the return period, undamaged drums can be bought back under following conditions:

Date of return	Invoiced amount (% of the sale price)
1 month after the return period	75%
2 months after the return period	65%
3 months after the return period	55%
4 months after the return period	45%
5 months after the return period	35%
6 months after the return period	25%
7 and more months after the return period	0%

7. Handling:
- The buyer is obliged to manipulate with packaging in such a manner that he doesn't damage them.
 - If the buyer returns damaged packaging the seller is not obliged to take such packaging and has a right to return them to the buyer on his costs.
 - If the buyer at taking over of the goods finds out that a packaging is damaged he has a right to claim such goods and he doesn't have to sign taking over of this goods but goods with packing remain in destination. The buyer announces the claim to the seller till 24 hours from the delivery date, the seller is obliged to send his employee for discussion about claim till 24 hours from claim announcement.
8. In case of a customer's request to deliver cables in short lengths, the seller will charge the following cutting fees for each such cut:
- 0 m to 99 m 10 € fee per cut**
- These fees will apply to all cables from our sales portfolio.

Trstená, date

..... date

Seller

Buyer

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