



# TERMS AND CONDITIONS

issued in accordance with Section 1751 of Act No. 89/2012 Coll., the Civil Code, as amended

## 1. Introductory provisions

The Terms and Conditions (the "**Terms**") of Petr Klobás, ID No.: 12188395, with his registered office at Košuličova 657/6, 619 00, Brno – Horní Heršpice (the "**Petr Klobás**"), govern the mutual rights and obligations of the contracting parties arising in connection with or on the basis of a purchase contract, contract for work, or other contractual obligation (the "**Contract**") between the supplier and the customer. Within the framework of these Terms, the following Terms have the following meanings:

- **supplier:** Petr Klobás, ID No.: 12188395, with his registered office at Košuličova 657/6, 619 00, Brno – Horní Heršpice;
- **customer:** a natural or legal person who purchases services or products supplied by Petr Klobás;
- **contracting parties:** the supplier and the customer.

These Terms are binding for both contracting parties and form an integral part of the Contract. Legal relations between the customer and the supplier that are not governed by these Terms shall be governed by the laws of the Czech Republic, in particular Act No. 89/2012 Coll., the Civil Code, as amended (hereinafter also referred to as the "**Civil Code**"). These Terms of Petr Klobás take precedence over any other terms and conditions of the customer. The application of the customer's terms and conditions, purchasing conditions or other conditions is hereby expressly excluded within the meaning of Section 1751(1) of the Civil Code, even if the customer refers to them.

The customer shall receive these Terms with their first order on the date these Terms come into effect. By placing this first order, the customer confirms that they expressly understand and agree to these Terms. Only an authorised person (statutory body, authorised signatory, representative with power of attorney, etc.) may confirm the customer's agreement with the Terms. With each subsequent order (whether verbal, written, by telephone or electronic), the customer confirms their agreement with these Terms.

If the customer does not agree with these Terms, they must do so in writing and clearly in the order. In such a case, negotiations may take place between the contracting parties (or their authorised representatives) on a possible solution to the situation. If the contracting parties agree on the Terms other than those set out in these Terms, their mutual agreement shall take precedence over these Terms, provided that such agreement is made in writing and signed by the authorised representatives of both contracting parties. No other form is valid. If the customer does not agree with these Terms and the contracting parties are unable to reach another agreement, the supplier is unable to fulfil the customer's requirements.

## 2. Ordering

The customer may deliver the order by e-mail, post or in person. Orders that are not made in writing in the form of written text or e-mail will not be accepted.

The order must contain:

- identification that the document constitutes an order, its number and date of issue,
- business name and ID number/VAT number of the customer for business entities,
- name and ID card number for non-business individuals,
- the customer's contact person authorised to act on behalf of the order, including the telephone number or e-mail address of that person,
- subject of the order, which must be clearly specified:
  - number of items,
  - dimensions and shape (drawing number, revision),
  - material quality and technical and delivery regulations (standards),
  - requirements for the provision of an inspection certificate (attestation) for the material in accordance with ČSN EN 10204,
  - material supplier (supplier, customer, third parties),
  - dimensional and quality requirements and standards,
  - requirements for measurement reports,
  - surface finishes, including type, layer thickness, shade, supplier (if applicable), etc.
- price agreements, invoicing,
- required delivery date,
- method of performance (including the possibility of partial performance by partial deliveries),
- packaging requirements,
- method of collection of the subject of performance,
- transport requirements,
- other additional information.

If the order does not contain any of the above specifications, the supplier is entitled to proceed in accordance with these Terms or its standard procedures. The customer is responsible for the accuracy, completeness and clarity of the order and all technical and commercial documents attached to it.

Upon receipt, the order is reviewed by the supplier's staff. If the order contains all the above-mentioned requirements, the customer will receive an "Order Confirmation" from the supplier's employees. At this point, the order is considered mutually binding and the contracting parties enter into a contractual relationship.

The customer also agrees to these Terms if they do not cancel the order within 24 hours of receiving the "Order Confirmation" referring to these Terms.

The supplier reserves the right to refuse an order due to its own capacity utilisation, inability to meet the customer's requirements, or the customer's financial obligations to the supplier after the due date.

### **3. Technical specifications, clarifications and changes to the order, delivery time**

In the case of laser cutting and punching press cutting, the technical specifications of the order (i.e. the subject of the order) must always be converted by the supplier into DXF electronic format (clean shape, without any dimensions, layers, etc.).

If the scale of the drawing is not explicitly stated in the technical documentation provided by the customer, a scale of 1:1 will be used for production. If the correct scale is not stated in the technical documentation, subsequent complaints will not be taken into account.

If the customer fails to provide the necessary drawing documentation in electronic form as vector graphics (DXF, DWG) or a model (IGS, PSM, etc.), the supplier is entitled to charge a fee for processing the production documentation in the case of initial production. If the electronic version of the documentation was prepared by the supplier, the customer has the right to request a copy. This copy will be issued only after payment of the processing fee.

If the customer supplies multiple versions of the technical documentation, the supplier shall proceed with the preparation of the production plan according to the documentation in the following order of priority:

1. dimensioned and authorised drawing documentation in printed or electronic form,
2. non-dimensioned electronic documentation in vector graphics format,
3. sketches, written or verbal specifications, and others.

Any ambiguities in the assignment or drawing documentation must be resolved before the start of the production process. These ambiguities shall be resolved by the supplier's authorised personnel. The supplier shall not be liable for product defects caused exclusively or in part by incompleteness, ambiguity, inconsistency or defects in the technical documentation supplied by the customer, even if the supplier did not notify the customer of these defects.

In the case of repeat production where there are no changes compared to the previous production, the customer is advised to include the supplier's internal product code in the order. Including this product code will significantly speed up the order process. In the event of changes in repeat production (revision of drawing documentation, etc.), the customer is obliged to clearly state this fact in the order. If they fail to do so, the product will be delivered according to the original documentation, i.e. in the same design as in the previous delivery.

Changes to a confirmed order and any cancellations may only be made in exceptional cases and only in writing. Upon delivery, the supplier shall cease all work on the order. However, the supplier shall be entitled to reimbursement of production-related costs (preparations, tools) and work already performed up to the time of the order change or its written cancellation.

The delivery period for the delivery of the subject of the order by the supplier shall commence from the date of complete clarification of the technical documentation or from the delivery of the material by the customer. The supplier is entitled to extend the delivery period and, if necessary, the price of the delivery in the following situations:

1. due to the time required to clarify the technical documentation,
2. due to a delay in the delivery of materials by the customer (if the customer supplies the materials for the order using their own resources),
3. if there are changes to the order.

## 4. Materials used, dimensional tolerances

If the customer orders products made from a material that is not available on the Czech market, for example pursuant to an older ČSN standard or a foreign standard, this material will be replaced with a currently available substitute. If the customer insists on using a specific material exactly according to foreign specifications without the possibility of replacement with a domestic equivalent, they must expressly state this in the order.

In the event of a customer's request for production from a special material that is not normally processed by the supplier, the supplier reserves the right to require the customer to purchase the entire minimum quantity (usually a sheet of metal) that must be purchased from the supplier of this special material in order to carry out the production.

If production is to be carried out using material supplied by the customer, it is essential that the following conditions are met, without which the material will not be accepted and the delivery date of the products cannot be met due to the customer's fault:

- The sheets must be delivered in the usual full sheet format; in the case of delivery of non-standard dimensions (cuts), the price may be increased due to the increased labour involved in setting up the laser table.
- The sheets must be free of corrosion, flat and undamaged, in packages weighing a maximum of 3000 kg.
- Individual grades and thicknesses must be separated from each other by suitable interlayers to prevent damage and to allow for handling with a forklift truck.
- The material must be clearly marked with a description stating its dimensions and quality.
- A delivery note must be provided with the delivery, containing complete information about the quality, dimensions, quantity and identification of the order and customer for whom the material is intended.
- The supplier reserves the right to require the customer to provide a certificate for the material in cases where it is necessary to know the exact composition of the processed material in order to set the laser cutting parameters.

The supplier is not liable for defects caused by the properties, defects or unsuitability of the material supplied by the customer.

The maximum dimensions of the processed sheet metal plate are 3,000 x 1,500 mm; longer products must be divided by agreement.

For sheets with surface treatment (brushed, ground, etc.), it is necessary to specify the orientation of the product on the sheet metal in the drawing, i.e. to clearly define the direction of the surface treatment (pattern). For sheets whose surface must be protected against damage with a protective film, it is very often necessary to melt the film at the cut and bend points, which means longer cutting and bending times and, consequently, a higher price.

If the customer requests an inspection certificate (attestation) for the materials used together with the products, this must be stated in advance in the order, including the specification of the type of document according to ČSN EN 10204. If the exact type of certificate is not specified, but only a general requirement for the delivery of a certificate, a standard inspection certificate shall be provided.

Traces resulting from the manufacturing technology used by the Supplier are standard characteristics of the products. A layer of glass remains on the laser-cut surfaces, the upper edge may be melted, and the lower edge may have melt marks, scale and small burrs. After punching on a punching press, a burr up to 10% of the original material thickness may appear on the lower edge. The surface of the sheet metal may be contaminated with oil, and bent parts may have tool marks, etc. If the customer has increased requirements and requests the elimination of these common marks, this requirement must be explicitly stated in advance in the order. This requirement may have a significant impact on the final price.

If the customer requires higher dimensional accuracy than the supplier is able to provide with its technology, it is necessary to specify dimensions with allowances for laser cutting and punching for such products and to allow for additional machining to the final required dimensions. These requirements must be explicitly stated in the order and may affect the price and delivery date.

## 5. Type of delivery, declaration of conformity, obligations

The supplier undertakes to manufacture and deliver products from its production programme in accordance with the standards applicable to this type of product in the Czech Republic and the EU, with the right to mark selected products with the CE mark. In the case of cooperation and services, this shall be in accordance with company standards or specified parameters or technical conditions set out in the Contract, or in accordance with the specifications in the offer or agreed standards.

In accordance with Act No. 22/1997 Coll., on technical requirements for products, as amended, the supplier issues an "EC Declaration of Conformity" for all products covered by the above-mentioned Act and related legal regulations. These include machinery such as parking barriers, barrier posts, outdoor waste bins, illuminated traffic signs and the like. The supplier does not issue an "EC Declaration of Conformity" for products intended for further inclusion in the customer's production process (in particular sheet metal processing as a subcontractor). These are products that are not intended for direct end use.

The customer undertakes to accept the products and pay the purchase price. Furthermore, the customer undertakes to operate the equipment manufactured by the supplier in a working environment and under the agreed conditions specified in the operating instructions for this equipment, the manufacturer's written instructions and the standards applicable to the operation of this equipment in the Czech Republic or the EU.

## **6. Price, payment, deadlines**

The price shall be determined by agreement in accordance with Act No. 526/1990 Coll., on prices, as amended. The price is determined according to the supplier's current price list. Unless the price is expressly agreed to include VAT, all prices are stated as prices excluding VAT at the statutory rate on the date of the taxable supply. The supplier's price list is subject to change depending on the market prices of the resources used by the supplier for production (materials, energy, etc.). Therefore, based on demand, the supplier issues a price offer that is valid for a limited time due to the variability of market prices of resources. If the customer agrees with the prices in the price quotation, they will issue an order stating the price quotation number.

The supplier is entitled to unilaterally change the price quoted in the price offer in the event of a change in the order by the customer or in the event of a demonstrable price increase of more than 10%. If the supplier is unable to maintain the originally agreed price, they shall immediately inform the customer of this fact. In the case of repeat production, the supplier is entitled to change the price in the event of a demonstrable price increase of more than 8%.

First-time customers shall pay for all products and services in cash upon delivery or in full in advance as a prepayment. Cash payments for products are made at the cash desk in the dispatch office – order dispatch. The option of purchasing goods on invoice and subsequent cashless payment for products and the specifics of its parameters (due date, advance payments) are determined individually for repeat customers depending on their payment history. This method of purchase is not available to new customers. The supplier may withdraw the benefits of purchase on invoice if the customer's payment history deteriorates.

For orders up to CZK 1,000, payment in cash and on the spot will be required. This condition can be changed individually by mutual agreement.

For orders over CZK 150,000, the supplier is entitled to request an advance payment.

Loyalty or volume discounts may be provided to selected customers.

Ownership of the delivered product shall pass to the customer only upon payment of the full purchase price, including the right to demand delivery/release of the product.

The contracting parties, within the meaning of Section 26(3) of Act No. 235/2004 Coll., on value added tax, agree to the use of electronic invoices.

If the customer is in arrears with payment for previous deliveries of products, the seller is entitled to demand advance payment, payment in advance or cash payment upon collection of the products. If the customer does not comply with this request, the supplier may refuse to commence production or delivery of the products until the debt is paid.

## **7. Contractual penalties**

In the event that the customer fails to pay for the delivered products or services within the agreed payment term, a contractual penalty amounting of 0.05% of the outstanding amount shall be charged for each day of delay until payment is made. If the delay in payment for the delivered products or services exceeds 30 days, the customer will be requested to pay the amount due immediately. If the customer fails to remedy the situation, the debt will be recovered through legal action, or the claim may be assigned to a third party. Furthermore, the customer agrees to a flat-rate contractual penalty of CZK 3,000 in favour of the supplier in the event of the customer's liability for late payment on the agreed due date.

In the event of a delay in the fulfilment of the subject matter of the Contract on the part of the supplier, the customer is not entitled to demand a contractual penalty higher than 0.02% of the total price of the performance for each calendar day of delay against the deadline agreed in the Contract, and only if the contracting parties expressly agree in writing in the Contract.

The contractual penalty is payable within fourteen (14) days of the date of delivery of a written request for payment.

## **8. Acceptance of products, transport**

The customer may only take delivery of the products if the customer has no financial obligations to the supplier after the due date in connection with previous deliveries. Any exceptions may only be granted by the Petr Klobás himself.

Unless otherwise agreed in writing, the product is delivered without surface treatment, unpackaged, ready for collection in a "loose bulk load".

Unless otherwise agreed by the contracting parties, the supplier is obliged to provide the customer with products for collection at its plant at Košuličova 657/6, 619 00 Brno, Czech Republic – EXW (INCOTERMS 2010). The customer has the right to determine the type and method of transport of the products and is responsible for arranging transport. The customer is obliged to provide the supplier with transport instructions in sufficient time in advance.

The customer is obliged to provide the supplier with the necessary cooperation during the handover of the products. If this obligation is not fulfilled, the customer is liable for any damage incurred by the customer in causal connection with this. The customer is also obliged to check the products they are taking delivery of to ensure that the physical quantity matches the quantity on the delivery note and to check the quality of the product. The customer is responsible for checking the quantity, quality and conformity with the delivery note; failure to comply with the acceptance obligation transfers the risk to the customer.

The customer confirms acceptance of the product and agreement with the warranty conditions and complaints procedure by signing the delivery note.

The customer is obliged to remove any material leftovers after production together with the products. If they fail to do so, the supplier will store the material for three working days and then dispose of it without further notice.

If the customer has outstanding financial obligations to the supplier after the due date, the supplier reserves the right to suspend the delivery of products to the customer until all obligations have been settled. The customer will be informed in a timely manner of the fact that the products have been retained. Such retention cannot be considered a delay in the delivery period on the part of the supplier.

If the customer hires a third party (e.g. an external carrier) for transport (or collection of products), it is in their interest to inform this entity in detail about the method of collection, storage of products for transport and the method of transport. Once the product has been handed over, all responsibility for the product passes to the entity whose representative has taken delivery of the product from the supplier. The supplier is not liable for damage caused by improper handling during transport and during transport itself.

## **9. Product defects, warranties, complaints**

The risk of loss or damage to the product passes to the customer at the time of acceptance of the product from the seller. The supplier's liability for product defects is handled in accordance with the valid "Warranty and Complaints Procedure" of Petr Klobás, or in accordance with Section 2099 et seq. of the Civil Code. The delivery of the product and the supplier's obligation are fulfilled by handing over the product and its accessories to the customer or the first carrier.

Upon receipt of the products, the customer is obliged to inspect them and immediately report any obvious defects and discrepancies in quantity using a complaint form, which will be confirmed by the carrier's employee.

The supplier is not liable to the customer for defects and will not accept a complaint if the defects in the products arose as a result of non-compliance with transport and storage conditions, or use contrary to technical parameters, or improper handling or modification, or if the product was mechanically damaged.

Complaints are governed by the valid "Warranty and Complaints Procedure" of Petr Klobás.

## 10. Confidentiality of information and personal data

The contracting parties undertake to keep confidential any information relating to the customer or supplier that is marked as confidential or whose confidential nature is obvious – e.g. information about internal procedures, information about prices, profits or performance indicators, information about orders or transactions, technical plans, know-how or intellectual property, trade secrets (the "**Confidential Information**"), and not to disclose such Confidential Information, in particular by not distributing, reproducing or making it available to third parties, with the exception of the persons listed below in this article.

Any disclosure of Confidential Information to third parties is prohibited.

The contracting parties undertake not to use Confidential Information contrary to its purpose for their own needs or for the benefit of third parties.

The provision or disclosure of Confidential Information to a third party shall not be considered a breach of the obligation to maintain confidentiality if:

- a) with the prior consent of the contracting party to which the Confidential Information relates;
- b) who is a statutory or supervisory body of the contracting party, its employee or contractor through whom it directly performs its main activity;
- c) if it is necessary for the exercise of the rights of the contracting party under the Agreement or in connection with the Agreement;
- d) if it is mandatory for the contracting party under generally binding legal regulations or under an enforceable decision, measure or request of a competent authority;
- e) if it is necessary in court, arbitration, administrative and other similar proceedings;
- f) if the third party is a person whose performance the Provider will use to fulfil its obligations under the Agreement or under a relationship arising in connection with the Agreement.

If a contracting party intends to disclose Confidential Information to the above-mentioned person, it shall be obliged to bind that person to confidentiality at least to the extent that it itself is bound by confidentiality under this Article.

Only the Confidential Information necessary to fulfil the purpose of this Article may be disclosed to the person referred to in this Article.

The contracting parties undertake to implement appropriate technical and organisational measures to protect Confidential Information to the extent specified in the Terms.

The obligation to maintain confidentiality of Confidential Information under this Article shall remain in force for 5 years after the termination of the Agreement.

The contracting parties shall process personal data in accordance with generally binding regulations, in particular Act No. 110/2019 Coll., on the processing of personal data, as amended; and Regulation 2016/679 on the protection of personal data – GDPR.

## 11. Limitation of compensation for damages and contractual penalties

The Supplier's obligation to compensate for damage caused by a breach of an obligation under the Contract, together with the obligation to pay a contractual penalty, shall be limited in total to an amount corresponding to:

- a) the total price agreed for the subject of performance without VAT, if expressly agreed in the Contract;
  - b) the price for the performance actually provided, excluding VAT, for the period from the conclusion of the Contract to the moment the damage occurred, unless the total price is expressly agreed in the Contract;
- but always up to a maximum of CZK 1,000,000.

However, the above limitation of the obligation to compensate for damage and contractual penalties shall not apply in the event of damage caused intentionally or by gross negligence.

The contracting parties do not expect indirect or consequential damage, such as loss of production, loss of reputation, loss of profit, contractual penalties and fines that the customer would have to pay to third parties and public authorities, etc. ("**Indirect Damages**") that may arise to the customer in the performance of the relationship arising from the Contract due to the supplier's breach of one or more of its contractual or legal obligations.

The Supplier shall not be liable to the Customer for Indirect Damages and shall not be obliged to compensate the Customer for Indirect Damages. The right to compensation for damages arises in addition to the right to contractual penalties agreed pursuant to Article 7 of these Terms.

## 12. Termination of the Contract

The contracting parties agree that the Contract shall be terminated only in the following ways:

- a) immediate termination without notice by a contracting party in the event of the bankruptcy of the other contracting party within the meaning of Act No. 182/2006 Coll., on Bankruptcy and Methods of its Resolution (Insolvency Act);
- b) withdrawal from the Contract for legal reasons;
- c) other legal circumstances associated with the termination of the Agreement in accordance with legal regulations.

The termination of the Agreement shall not affect:

- a) the right to payment of contractual penalties arising during the term of the Agreement;
- b) rights and obligations which, by their meaning or context, are not affected by the termination of the Agreement.

## 13. Final provisions

Legal relations based on the Agreement shall be governed exclusively by Czech law, excluding conflict of law provisions and Sections 557, 1740(3), 1748, 1799 and 1800 of the Civil Code. The contracting parties agree that the CISG (United Nations Convention on Contracts for the International Sale of Goods) shall not apply to this contractual relationship. All disputes arising from the Contract or related to its validity, interpretation and termination shall be decided in accordance with the provisions of Section 89a of Act No. 99/1963 Coll., the Civil Procedure Code, by the general courts of the Czech Republic, with the courts in Brno having local jurisdiction.

A contracting party shall not be in default, shall not be liable as a result of defective performance of the Contract, and shall not be obliged to compensate the other contracting party for damage caused by a breach of its obligations under these Terms or the law if it was prevented from fulfilling this obligation by force majeure within the meaning of Section 2913 of the Civil Code, as well as power outages, natural disasters, attacks on the supplier's technical equipment by third parties, wars, invasion, revolutions, pandemics, general strikes or strikes of the entire industry.

The customer assumes the risk of a change in circumstances within the meaning of Section 1765(2) and Section 2000 of the Civil Code and waives the right to seek cancellation of the obligation.

The rights and obligations of the customer are not transferable to third parties without the written consent of the supplier.

The contracting parties are obliged to ensure that, when adjusting contractual relationships or performing mutual obligations, anything that could lead to disputes is eliminated.

These Terms take precedence over any different provisions of the buyer's purchasing or trading conditions. Only correspondence in the Czech language is binding. All documents relating to the Contract shall be sent to the registered office of the customer or supplier. Any document shall be deemed to have been duly delivered upon its arrival within the sphere of control of the addressee. Delivery in accordance with the provisions of Section 570 of the Civil Code shall also take place if the addressee knowingly prevents delivery. In case of doubt, the date of delivery of a consignment sent using a third-party postal service provider shall be the third (3) working day after its dispatch.

By concluding the Contract, the customer agrees to these Terms and declares that they had the opportunity to familiarise themselves with these Terms prior to concluding the Contract and do not consider them to be surprising. In the event that any provision of the Contract or Terms becomes ineffective or unenforceable, or becomes invalid, the remaining provisions of the Terms shall remain in force. In such circumstances, the contracting parties shall replace such ineffective, unenforceable or invalid provision with a provision that corresponds as closely as possible to the economic purpose of such ineffective, unenforceable or invalid provision. The Agreement may only be amended or terminated in writing, in the case of amendments to the Agreement by means of sequentially numbered addenda.

These Terms are effective from 1 January 2026 and are publicly available on the website at <http://www.kovo-klobas.cz>.