

GENERAL DELIVERY TERMS
of SPINEA, s.r.o.
valid as of 1st April 2018

SPINEA, s.r.o., with its registered office at Okrajová 33, 080 05 Prešov, the Slovak Republic, company ID: 31 687 580, registered in the Company Register of District Court Prešov, section: Sro, file No.: 10314/P ("SPINEA") is issuing the following General Delivery Terms ("GDT"):

Article I
Introductory Provisions

1. GDT shall govern any and all supplies of the products and related services ("Goods") by SPINEA.
2. GDT constitute an inseparable part of frame contracts, contracts and order confirmations ("Contract"). Individual provisions of GDT shall not apply if Contract regulates the relevant provisions otherwise or if Contract expressly excludes application thereof.
3. No Buyer's or industry alternative terms and conditions apply unless expressly accepted by SPINEA in writing.
4. The Parties shall be bound by the following order of precedence:
 - 4.1 Contract (including attachments, annexes, appendices, amendments, except for GDT);
 - 4.2 GDT;
 - 4.3 recommendations for customers set forth in SPINEA's catalogue of Goods, technical or price offer associated with Contract, or otherwise made available to Buyer;
 - 4.4 Incoterms® 2010;
 - 4.5 law of the Slovak Republic, without respect to its other conflict of law principles.
5. Application of the United Nations Convention on Contracts for the International Sale of the Goods passed in Vienna 1980 ("CISG") is hereby explicitly excluded.
6. For the purpose of GDT the below mentioned expressions shall have the following meaning:
 - "Buyer" - party concluding Contract with SPINEA;
 - "Party" - SPINEA or Buyer, respectively;
 - "Parties" - SPINEA and Buyer.

Article II
Contract, Sample Lending

1. Contract is considered concluded upon (i) signing by SPINEA and Buyer, or (ii) written confirmation by SPINEA of a Buyer's order, or (iii) take-over by Buyer of Goods supplied by SPINEA (in absence of (i) or (ii)).
2. If SPINEA provides Buyer with a product sample, the sample's characteristics are considered guaranteed for any follow-up supply only (i) within the range specified in technical documentation delivered to Buyer with the offer, or (ii) as specified in Contract. In case of follow-up supplies based on the sample variances can occur, if (i) they are set forth in SPINEA's catalogue of Goods, (ii) they are usual in the industry, or (iii) they are within frame of usual production extent.
3. Any sample lending to Buyer is subject to a lending agreement. Buyer is obliged to return the lent sample to SPINEA without any damage within a period specified in the lending agreement, otherwise within four (4) months after sample receipt at the latest. If Buyer fails to return the sample on time or without damage, SPINEA is entitled to reimbursement of a purchase price according to SPINEA price list, payable upon receipt by Buyer of invoice issued by SPINEA.

Article III
Prices and Payment Terms

1. Price of Goods is set forth in Contract at the agreed delivery term.
2. All prices are net of VAT and without any bank charges. VAT shall be charged in addition to the agreed price as applicable under the law.
3. The prices include an usual packing of Goods. Specific packing required by Buyer shall be additionally charged at the price agreed in Contract.
4. SPINEA shall perform the initial deliveries of Goods to a new Buyer only after (i) an advance payment of the price is made by Buyer or (ii) payment in cash at Goods delivery has been realized, according to Contract. This procedure shall apply until SPINEA confirms other terms for Buyer according to Article III, clause 5 GDT.
5. Any invoice payable by Buyer to SPINEA is due within the maturity period set forth in Contract. In absence of maturity period in Contract, any invoice is due within fourteen (14) days upon invoice issue date.
6. Any due amount shall be paid to SPINEA net, free of and not reduced by any bank fees and charges.
7. The date of invoice settlement is the date when due amount is credited to the bank account of SPINEA. If the invoice maturity date falls on Saturday, public holiday or bank holiday, the invoice maturity date shall be the last business (banking) day before such Saturday, public holiday or bank holiday.
8. Irrespective of Buyer's instruction, SPINEA is entitled, upon its sole discretion, to allocate the received payment to its oldest receivable against Buyer.
9. If Buyer is in delay with any payment to SPINEA, SPINEA is entitled to charge, in which case Buyer is obliged to pay, late payment interest in the amount of 0.03 % of due sum for each started day of delay.

10. In addition to late payment interest, SPINEA is entitled to charge, in which case Buyer is obliged to pay, a lump-sum refund of the costs associated with claim settlement in amount of EUR 40.00.
11. SPINEA has no obligation to deliver Goods to Buyer unless Buyer provides SPINEA, upon SPINEA's request, with one or more of the following collaterals: an irrevocable bank guarantee; irrevocable documentary letter of credit; promissory note; advance payment; corporate guarantee; or some other form of security, according to Contract.
12. If Buyer is in delay with the payment of any of SPINEA's receivables (regardless of its legal cause) against Buyer, SPINEA has no obligation to deliver Goods to Buyer and is entitled to stop production of the ordered Goods, or to withdraw from any and all Contract(s) with Buyer, and by doing so, SPINEA is not in default.
13. If Buyer is in delay with the payment of any of SPINEA's receivables, SPINEA is also entitled to unilaterally change the payment terms or to withdraw from Contract or its part, and repossess Goods delivered and unpaid. Buyer shall provide to SPINEA all reasonable assistance requested by SPINEA. The cost of Goods repossessing shall be borne by Buyer.
14. Buyer is not entitled to (i) withhold any payment to SPINEA, (ii) withhold Goods to be returned to SPINEA, or (iii) unilaterally set off its claim towards SPINEA's receivables, unless such claim is not disputable between SPINEA and Buyer or has been awarded by the final court or arbitration decision.
15. Buyer shall not assign to a third party or trade with, in any way, any rights, claims or obligations arising from Contract without SPINEA's prior written consent. Any such assignment or transaction is considered invalid.
16. SPINEA is entitled, without any limitation, to establish a pledge or assign any receivable against Buyer, arising out of or related to Contract, to the benefit of its financing bank.
17. If at any time SPINEA reasonably believes that Buyer is, or may become, unable to perform its obligations under Contract, SPINEA may, acting reasonably, unilaterally alter the payment terms or require that Buyer provide SPINEA with security for performance, or other assurance of performance, in either case acceptable to SPINEA. If Buyer fails to provide such security or assurance or fails to make payment in accordance with the payment terms, any such failure will constitute a substantial breach of Contract by Buyer entitling SPINEA to suspend scheduling, production, shipment or delivery of Goods under any Contract between Buyer and SPINEA.

Article IV Delivery of Goods, Transportation

1. Unless otherwise agreed to by the Parties in writing, delivery term EXW SPINEA, s.r.o., Prešov, Slovakia, loading by Seller at Buyer's risk, according to Incoterms® 2010, applies to any Goods delivery.
2. Partial deliveries and their invoicing are permitted.
3. If Buyer is obliged to procure transportation of Goods, it is obliged to take over Goods from SPINEA no later than five (5) days from the date of receipt of the SPINEA's notification of Goods readiness for shipment.
4. If Buyer violates Article IV, clause 3 GDT, SPINEA is entitled to:
 - 4.1 dispatch Goods at the costs and risk of Buyer, or
 - 4.2 store Goods at the costs and risk of Buyer in the SPINEA's warehouse or in a warehouse of any third party. If SPINEA stores Goods in SPINEA's warehouse, it is entitled to charge Buyer the cost of storage in the amount of EUR 2.- per each piece of Goods for each started day of storage. If Goods are stored in a third party's warehouse, SPINEA is entitled to charge Buyer the actual cost of storage charged by such third party + 5% of such costs as handling fee.
5. If SPINEA provides for Goods transportation and Goods are not delivered to Buyer despite delivery of the dispatch advice, Buyer is obliged to inform SPINEA in writing no later than twenty one (21) days from the Buyer's receipt of the dispatch note.
6. SPINEA will make its best effort to deliver Goods within the delivery date specified in Contract, however delivery shall not be considered delayed if completed within three (3) weeks after such agreed delivery date.
7. If Buyer's shipping instructions are required, SPINEA is not in delay during Buyer's delay with their submission.
8. Unless otherwise agreed to by the Parties in writing, any packing and transportation materials of Goods are considered non-returnable, and the cost of their disposal and storage shall be borne by Buyer.
9. SPINEA is not liable for compliance with the law valid in the state of import or transit of Goods, unless commitment to such compliance is stated clearly in Contract.

Article V Risk of Loss or Damage to Goods and Title to Goods

1. The risk of loss or damage to Goods shall pass from SPINEA to Buyer at the moment of Goods delivery according to the agreed delivery term; Incoterms® 2010 apply.
2. If SPINEA is in delay with Goods delivery due to reason(s) attributable to Buyer, the risk of loss or damage to Goods passes to Buyer at the moment of receipt by Buyer of the SPINEA's notification of Goods readiness for shipment.
3. SPINEA reserves the title to Goods in Buyer's possession until the moment when (i) Buyer sells or otherwise transfers Goods to a third party, or (ii) Buyer processed/assembled Goods, or (iii) the payment of price of Goods is settled, whichever occurs first. Any sale, transfer, processing or assembling of Goods prior to settlement of price of Goods is only possible if it is done within usual course of Buyer's business. No other disposal of or handling with Goods in SPINEA's ownership is allowed, including, but not limited to, any form of a pledge over Goods in SPINEA's ownership.
4. If Buyer fails to fulfil its payment obligation, SPINEA is entitled to demand the repossession of Goods in SPINEA's ownership, and in such case Buyer is obliged to return such Goods at its risk and costs without undue delay.

Article VI
Warranty and Defect Claim Process

1. SPINEA manufactures Goods according to declared technical specifications for dimensional, mechanical, physical, surface or other characteristics. Goods related data, mainly pictures, drawings, data about weight, measurements and technical characteristics, included in SPINEA's technical documentation (mostly SPINEA's catalogue of Goods) are guaranteed subject to conditions set forth in said technical documentation. Usual variances are permitted (production tolerances), unless limits to such variances have been agreed to by the Parties in writing.
2. Change of any individual parameter upon Buyer's request may affect the other parameters of Goods. In such case, SPINEA only guarantees the compliance with the parameters explicitly specified in Contract.
3. In order to make other specifications required by Buyer, in addition to technical specifications declared by SPINEA, binding upon SPINEA, these must be set forth clearly in Contract.
4. Such technical specifications constitute the exclusive and sole representations of SPINEA concerning the quality, capabilities and features of Goods, and there are no other warranties or obligations of SPINEA concerning the quality, capabilities and features of Goods.
5. SPINEA does not guarantee that Goods are fit for any ordinary purpose for which such goods are generally used, nor for any particular purpose of Buyer, unless it is expressly agreed to in Contract. Buyer agrees that it is not relying on SPINEA's professional skill and/or judgment.
6. Goods shall be used in accordance with the applicable technical and legal requirements only. Buyer is fully responsible for compliance with such requirements.
7. Standard packaging in the original pack provides for corrosion protection for the period of six (6) months if Goods are stored in closed storing room with the ambient temperature from 5°C to 25°C and relative humidity up to 60% and if the original pack has not been damaged by transport, handling or otherwise. After six (6) months the Goods must be re-conserved.
8. SPINEA provides to Buyer a warranty for the quality of Goods for a period of twelve (12) months from the delivery of Goods or two thousands (2,000) operating hours, whichever occurs first (warranty period).
9. Buyer is obliged to examine the delivered Goods carefully immediately after receiving the delivery and check the completeness and compliance of the delivery with Contract and the delivery note accompanying delivery.
10. Buyer is obliged to notify SPINEA of the nature and specifics of the Goods defects (defect claim) as follows:
 - 10.1 obvious defects of Goods as well as differences in quantity of Goods - without undue delay after examination, but not later than seven (7) days from the day of Goods receipt in final destination,
 - 10.2 hidden defects of Goods or defects covered by warranty - without undue delay after discovery by Buyer, but not later than within the period stated by the law, or for the defects covered by warranty, within the warranty period.
11. Any claimed Goods must be stored separately and always submitted to SPINEA's examination, unless otherwise agreed to between the Parties. Buyer is not entitled to use or sell claimed Goods without SPINEA's prior written consent - any such use or sale without SPINEA's prior written consent shall be conclusive evidence that Goods were delivered without defects and in accordance with the terms of Contract. Buyer is not entitled to request the claim resolution and/or compensation of damages if it has not provided SPINEA with a reasonable opportunity to inspect claimed Goods.
 12. Each defect claim must be submitted in a form of completely and properly filled-in Claim protocol, the form of which is freely available at SPINEA's web site: <http://www.spinea.com/en/downloads>, and sent by courier, registered letter or other appropriate means that confirm receipt by SPINEA. In addition to data included in Claim protocol, the claim shall include copies of the following documents and data:
 - the numbers of the relevant Contract, delivery note and invoice;
 - duplicate of bill of freight (CMR, CIM, B/L);
 - specification of damages incurred by Buyer in association with defective Goods, including supporting documents.SPINEA is entitled to refuse without further investigation any claim that is not submitted in required form and/or with the aforementioned content.
13. If Buyer sends defective Goods to SPINEA, a description of the sent defective Goods, stated on a consignment/package or in associated documents, must fully comply with the content of consignment/package. Otherwise, SPINEA is entitled, upon its sole discretion, to give the instruction to return the consignment/package without its take-over or to charge Buyer with any and all damages incurred by SPINEA as a result of or in connection with incorrectly marked consignment/package.
14. Any damages to Goods occurred during the transport are to be notified without undue delay to the transporter according to unified international transport terms (CIM, CMR). If transport of Goods was procured for by SPINEA, Buyer shall also notify SPINEA of such damages, including photo documentation of Goods damaged during transport.
15. SPINEA shall respond to the properly and timely submitted defect claim without unnecessary delay after receipt of such claim, but not later than within thirty (30) days of defect claim receipt.
16. SPINEA reserves the right to set the way of defect claim resolution (e.g. supply of missing pieces, repair, replacement). SPINEA provides for replacement of defective Goods by new ones without defect only if defective Goods are not repairable or if repair is not economically reasonable.
17. Should SPINEA fail to respond on time or to resolve the defect claim in reasonable timeframe, Buyer is entitled to withdraw from Contract in writing and request repayment of the purchase price against return of defective Goods.
18. SPINEA is not responsible for any defects and/or damages associated, if the claimed defect was caused by:
 - 18.1 any outside cause/event after transfer of the risk of loss or damage to Goods (see Article V of GDT), for which SPINEA is not responsible;
 - 18.2 any cause other than SPINEA's design or manufacturing of Goods;

- 18.3 an equipment into which Goods were installed;
 - 18.4 incorrect Goods selection by Buyer for the intended purpose;
 - 18.5 Buyer's failure to observe SPINEA's instruction, if any, for Goods transport, storage, examination, installation, commissioning, use/operation or maintenance;
 - 18.6 non-standard, unqualified or unsuitable storage, examination, installation, commissioning, use/operation or maintenance;
 - 18.7 negative chemical, electrochemical, electrical and other environmental influences (such as high temperature, high humidity, high content of dust, corrosive/volatile/inflammable gas, pressurized/depressurized air, under water/liquid or others);
 - 18.8 contamination of lubricant or Goods' workspace in case of an unsealed version of Goods;
 - 18.9 natural wear and tear;
 - 18.10 unauthorized modification of or attempt to modify Goods or its part by Buyer or any third party;
 - 18.11 use of consumption materials that do not fit to SPINEA's specification; lubricant CASTROL LONGTIME PD0 is an approved type of lubricant to be used with Goods. If other type of lubricant is used without a prior written approval by SPINEA, warranty provided by SPINEA does not apply;
 - 18.12 any reason other than the standard use of Goods.
19. No claim entitles Buyer to refuse to make or withhold any payment due to SPINEA, or to refuse to take over another deliveries from SPINEA.

Article VII Force Majeure

1. Neither Party shall be liable for delay, or complete or partial failure to perform its obligations under Contract, to the extent that its performance has been prevented, delayed or hindered due to an event of extraordinary nature beyond the reasonable control of the affected Party, which could not have been reasonably foreseen or avoided, including but not limited to natural disasters, wars, war operations of various kinds, rebellions, civil commotion, sabotage, revolutions, acts of piracy, explosions, fires, flooding, general strikes, lockouts, official interventions of legal as well as illegal nature, or other circumstances occurring independently of the will of the Party, outside of control of the Party and which could not have been prevented, avoided or overcome (each a "Force Majeure Event").
2. The Party affected by complete or partial inability to perform its obligations arising out of Contract due to a Force Majeure Event is obliged to inform the other Party in writing about occurrence/termination of such Event within ten (10) days after occurrence/termination, with fax/email advice being confirmed by original advice sent within next ten (10) days. The affected Party shall, if requested, provide confirmation of such Force Majeure Event from the Chamber of Commerce of the location thereof, or demonstrate the existence of such Force Majeure Event in another reliable manner.
3. If a Force Majeure Event lasts for less than sixty (60) consecutive days, the Parties shall retain their rights and obligations under Contract, and the time for performance of such obligations, as well as the validity of Contract, shall be extended by the duration of such Force Majeure Event. Buyer shall provide to SPINEA an adequate time to restart production and delivery of Goods.
4. If a Force Majeure Event lasts for sixty (60) or more consecutive days, any Party shall be entitled to terminate Contract effective at the moment when such notice is delivered to the other Party, without any further right or obligation for compensation of damages, except for damages which occurred prior to the commencement of, or which are unrelated to the such Force Majeure Event.
5. A Party that fails to provide notice to the other Party, as required in Article VII, clause 2 GDT, shall be obliged to compensate the other Party for all damages caused as a result of such failure.

Article VIII Confidentiality and Publicity

1. SPINEA considers any data stated in Contract and any information or documents submitted to Buyer in relation to Contract confidential and Buyer shall be obliged not to disclose them or allow access to them in any form to any third person, except as stated by law, required by state authority or court (including arbitration). Disclosure of the afore-mentioned information to Party's affiliated companies, tax, accounting, legal or other advisor, consultant, auditor or insurer who are bound by professional or contractual confidentiality commitment, shall not be considered a breach of this provision.
2. Except with prior written consent of SPINEA, Buyer is not entitled to present in any form SPINEA as Buyer's business partner or use SPINEA's trade name or SPINEA's logo for Buyer's promotion, propagation or advertisement of Buyer's business activities or in any declarations of Buyer for media.
3. Buyer acknowledges the fact that SPINEA, within the frame of Customer Relationship Management (CRM) and with the aim of continuous improvement of services provided to buyers and their satisfaction, records whole sales process as of the first contact with Buyer, especially via automated archiving of whole bilateral e-mail communication, all in accordance with valid legal regulations.

Article IX Contract Termination

1. Any Contract is valid until it is fully completed.
2. In addition to regulation of termination stated in Contract, either Party is entitled to withdraw from any Contract by written notice sent to the other Party:
 - 2.1 if the other Party repeatedly violated Contract;

- 2.2 if the other Party substantially/materially breached Contract; substantial breach of Contract shall mean mainly a violation of Contract payment conditions, Buyer's delay with payment of any of the SPINEA's receivables (regardless of its legal origin), violation of obligation to secure payment of price of Goods or non-takeover of stated volumes of the Goods in agreed terms as well as refusal to assist during delivery; or
- 2.3 upon reasons stated in Contract or in GDC.
3. The withdrawal from Contract shall be effective on the day of delivery of written notice to the other Party.

Article X Liability of SPINEA

1. SPINEA's liability towards Buyer for any and all damages, including charges, fees, penalties, interests etc., incurred by Buyer or due to Buyer in connection with any Contract or Goods is at all times limited by the amount of purchase price paid by Buyer for the Goods that caused the damage or in connection with which the damage occurred, according to the respective Contract. The Parties agree that such limitation of liability is reasonable and represents the maximum amount of damages and claims of Buyer, foreseeable at the moment of Contract conclusion.
2. In no event shall SPINEA be liable to the Buyer for any damages that could have not been foreseen by SPINEA at the moment of Contract conclusion (e.g. indirect damages, loss of production, loss of profit or expected profit, loss of expected future sale, goodwill damages, loss of use, contractual penalties or other sanctions or any claims imposed on Buyer by third parties, whether based upon breach of a contract, warranty or due to other reasons).
3. Limitation of liability under Article X, clauses 1 and 2 GDT is not applicable if the damage was caused by SPINEA to Buyer as a result of willful conduct or gross negligence of SPINEA.
4. Except in the case of SPINEA's willful conduct or gross negligence, SPINEA accepts no liability for damage suffered by Buyer's personnel or damage suffered by any third person participating in the performance of the Contract.

Article XI Governing Law, Dispute Resolution, Compliance

1. Contract, legal relations related to or arising out of Contract, not treated herein, as well as all out-of-contract claims arising in connection with Contract are fully governed by the law of the Slovak Republic, without respect to its other conflict of law principles.
2. The Parties have agreed that the courts of the Slovak Republic have an exclusive jurisdiction over the resolution of all disputes arising out of or in connection with Contract, including, but not limited to, disputes over the validity, interpretation or termination of Contract, and any dispute, not resolved by the agreement of the Parties, shall be submitted for decision to:
 - the District Court Presov, as the locally competent court of SPINEA in the Slovak Republic, if Buyer has its home address or seat outside the Slovak Republic, or
 - the materially and locally competent court in the Slovak Republic, if Buyer has its home address or seat in the Slovak Republic.
3. Buyer represents and warrants that, with respect to its obligations under Contract, it is and shall remain in compliance with the laws, regulations and executive orders regulating the economic sanctions, issued and/or administered by (i) the Slovak Republic or (ii) the European Union and its authorities or (iii) the United Nations Security Council or (iv) any other relevant authority, which prohibit, among other things, engaging in transactions with, and providing services to, certain countries, territories, entities, and individuals. Buyer further represents and warrants that none of Goods that it is receiving from SPINEA will involve, require interaction with, concern, or relate to, in whole or in part, any person that are subject to aforementioned prohibition, its assets or products. Buyer's breach of any of the terms of this clause at any time during the term of Contract shall be considered a material breach of Contract.
4. Buyer affirms that it, and each of its owners, directors, employees and other person working on its behalf, has not and will not, in connection with Contract or in connection with any other business transactions involving SPINEA, give, offer, or promise any money or any other thing of value, directly or indirectly, to any government official or to any third party, if such payment or transfer would violate the laws of the country in which made or the laws of the Slovak Republic, or the European Union. No payments or transfers of money or anything of value shall be made with the purpose or effect of public or commercial bribery, acceptance of or acquiescence in extortion, kickbacks or other unlawful or improper means of obtaining business. This Article shall not, however, prohibit the giving of business mementos of nominal value, or provision of normal and customary business entertainment, provided that any such business memento or entertainment is lawful in the country in which it is provided, offered for a legitimate business purposes, reasonable under the circumstances, and not provided for any improper or corrupt purpose.

Article XII Final Provisions

1. Buyer shall inform SPINEA, without undue delay, but not later than within seven (7) days of change occurrence, about any change of its business name, registered office, tax registration, substantial change of ownership, business or statutory structure, or of any commencement of liquidation, restructuring, bankruptcy or other similar procedure.
2. Any and all previous agreements or understandings of any nature whatsoever made between the Parties, which relate to Contract subject and GDT, shall be superseded by Contract and these GDT upon Contract conclusion.
3. Any amendment to Contract shall be made in writing and signed by duly authorized representatives of the Parties.

4. Should any provision of GDT become invalid, it shall not affect the other provisions hereof.

Prešov, 26th March 2018



Dipl. Ing. Marek Miško
Commercial Director
SPINEA, s.r.o.



Ing. Norbert Brath
CEO and Company Executive
SPINEA, s.r.o.