

Aliter Technologies General Terms and Conditions of Sale

1. DEFINITIONS

In these conditions:

'Company' means Aliter Technologies, a.s.

'Customer' means the other party to the contract;

'End User' means the ultimate recipient of the Products and/or Services;

'FCA' means Free Carrier (... named place) as such expression is defined in INCOTERMS 2010 published by the International Chamber of Commerce;

"EXW" means EX WORKS, Bratislava, Slovakia as such expression is defined in INCOTERMS 2010 published by the International Chamber of Commerce;

'THE RISK' means the insurable risk in possession of the Products. Transfer of the risk from the Company to the Customer is defined in INCOTERMS 2010 published by the International Chamber of Commerce.

'Products' means goods including Software supplied by the Company under the contract;

'Services' means services supplied by the Company under the contract;

'Software' means all software material to be supplied by the Company under the contract including all copies supplied to or made by the Customer;

'Total Contract Price' means the aggregate price of all Products and/or Services to be supplied by the Company under the contract including Value Added Tax and all taxes, charges, levies or duties of any kind payable on the supply of the Products and/or Services and any delivery charges as set out in the quotation.

2. QUOTATION

A quotation by the Company is an invitation to the Customer. If the Customer wishes to proceed, it must make a written order using the same reference as on the quotation, within the validity period of the quotation. The Company may then accept such order at which point a contract exists between the Company and the Customer. Until the Company accepts the Customer's order, there is no contract. The Customer agrees that the quotation fully specifies its requirements for the Products and/or Services.

3. INCORPORATION AND PRECEDENCE

These conditions shall apply to the contract between the Company and the Customer, save for any modification in writing expressly agreed by the quotation or by the Company's acceptance of the Customer's order. These conditions shall prevail over any terms or conditions of the Customer and over any other document or statement, save as expressly agreed in writing by the quotation or the Company's acceptance of the Customer's order.

The Company is authorised to amend and change the General Terms and Conditions of Sale. The Company publishes the amendment to the General Terms and Conditions of Sale at its Business Premises and on its web site, or in other appropriate way. The General Terms and Conditions of Sale are available at Business Premises of the Company and on its web site.

4. PRICES

Unless otherwise expressly agreed in writing in the quotation or in the Company's acceptance of the Customer's order all prices are strictly net and are Ex-Works Bratislava, Slovakia (EXW). The Customer shall pay any delivery charges set out in the Company's acceptance of the Customer's order.

5. TAXES

In contracts for supply within the Slovakia all prices are exclusive of Value Added Tax which will be charged by the Company in addition at the rate prevailing at the date of invoice. In contracts for supply outside of the Slovakia all prices are exclusive of all taxes, charges or levies of any kind whether payable on the supply of the Products and/or Services to destinations outside the Slovakia or otherwise, and these are payable by the Customer in addition.

6. PRICE ADJUSTMENT and EXCHANGE RATES

If following the date of the Company's acceptance of the Customer's order there is any change in rates of exchange or any imposition or alteration of governmental tax, levy or duty, the Company reserves the right at any time prior to delivery to vary the price for the Products and/or Services.

If during the life of the contract any Product(s) or parts thereof become obsolete, then the Company reserves the right to cancel the affected items from the contract, with a corresponding price adjustment, and continue with the provision of the Products and Services which are unaffected by the obsolescence.

7. PAYMENT

Unless otherwise agreed the order must be accompanied by a remittance or advice that an irrevocable EUR Letter of Credit for the Total Contract Price has been established and confirmed by Supplier's bank. This Letter of Credit shall have a validity equal to the full delivery period of the Products and/or Services plus one month and shall provide for part shipment and trans-shipment with the release of one hundred per cent of the value for each shipment against presentation of commercial invoices and, in the case of Products, a packing list and bill of lading or forwarding agent's receipt or airway bill as evidence of dispatch of the Products.

7.1 Suspension

In the event that the Customer fails to make any payment on the due date to the Company under the contract or under any other contract between the Customer and the Company, then without prejudice to any other remedy or right available to the Company, including the right of termination of the contract, the Company shall be entitled to suspend any further deliveries or services to the Customer without liability to the Customer.

7.2 Default Interest

Any sums not paid on the due date shall be subject to a default interest charge at the rate of 0.05% daily.

7.3 Set Off

In the event that the Customer has not paid any sum or sums which are due and payable to the Company, the Company shall have the right at its sole discretion to reduce the Customer's indebtedness by setting off against such indebtedness any sums due and payable to the Customer.

8. DELIVERY AND RISK

Whilst the Company will endeavour to meet any dates or times specified or requested for delivery and/or installation of the Products and for provision of Services all dates and times specified to the Customer for delivery and installation of the Products or the provision of Services are estimates only (unless the Company at the request of the Customer has specifically agreed in writing that this sub-clause is not to apply) and the Company shall not have any liability for delay or for any damages or losses sustained by the Customer as a result of such dates or times not being met. The Customer shall not be entitled to refuse to accept delivery of the Products or Services or treat the contract as terminated as a consequence of the Company's delay.

The Company reserves the right to make partial deliveries. Delay or other default in relation to a particular instalment shall not relieve the Customer of the obligation to accept delivery of and pay for other instalments.

In the case of contracts for supply outside the Slovakia, delivery shall be FCA Bratislava, Slovakia or Bratislava Airport and delivery shall be deemed to have taken place on delivery to the Customer's named carrier, or in the event that the Customer fails to nominate a carrier, to a carrier nominated by the Company. Risk in the goods shall pass to the Customer upon delivery, or if the Customer or the carrier fails to take delivery, when the Company has tendered delivery.

Delivery instructions where required (and, in the case of overseas sales the name and address of the Customer's nominated carrier) shall be provided by the Customer when placing its order. If the Customer does not nominate a carrier, then the Company shall be entitled to use any carrier. If no delivery instructions are specified the Company (without prejudice to its other rights) shall be entitled to deliver the Products to any address of the Customer known to the Company using any carrier.

If the Customer or its carrier fails to give the Company adequate delivery instructions, then without prejudice to any other right or remedy of the Company the cost of storing and insuring the Products shall be borne by the Customer; and if such failure to give adequate delivery instructions continues for more than ten (10) days the Customer shall be deemed wrongly to have repudiated the contract and the Company shall have the right to terminate the contract.

If the Customer or its carrier does not accept delivery, then without prejudice to any other right or remedy of the Company:

- the cost of storing and insuring the Products shall be borne by the Customer; and
- if such failure to accept delivery continues for more than ten (10) days the Customer shall be deemed wrongly to have repudiated the contract and the Company shall have the right to terminate the contract.

9. DAMAGE OR LOSS

The Company will at its discretion either refund the cost, or replace, or repair free of charge any Products proved to the Company's satisfaction to have been lost or damaged in transit up to the moment of transfer of "THE RISK" to the Customer, provided that within three (3) days of receipt of the Products in the case of damage, or within ten (10) days of the invoice or advice note or equivalent notice whether oral or written in the case of loss, the Customer notifies both the carrier and the Company in writing of the nature and extent of the damage or loss. The Company accepts no liability for delay in transit. Unless the Products are checked on receipt the carrier's documentation should be endorsed "unexamined".

10. TITLE

10.1 Products other than Software

In no case shall title in any Products pass from the Company to the Customer before payment. Notwithstanding delivery and/or the passing of risk in any Products, full ownership shall remain with the Company until the Company shall have received in cash or cleared funds, payment in full of the Total Contract Price. This shall not restrict the Company's right to recover the Total Contract Price from the Customer.

In addition, and even if payment in full has been made title in any Products shall not pass to the Customer unless and until full payment in cash or cleared funds has been received by the Company in respect of all other amounts (including VAT) overdue by the Customer to the Company on any other contract or otherwise.

Unless and until the Company shall have received the Total Contract Price and all other amounts overdue, the Company shall be entitled at any time:

- to require (at no cost to the Company) any Products to be separately stored and clearly marked in such a way that they will readily be seen to be the property of the Company; and/or
- to require the Customer to deliver up the Products or any part of them to the Company, and if the Customer fails to do so forthwith to repossess them; and/or
- to enter any premises or vehicle (by its employees or agents and in the case of premises, with or without vehicles) where Products still owned by the Company are stored or reasonably thought to be stored in order to inspect and/or repossess the same. All costs and expenses reasonably incurred

by the Company in connection with such inspection and/or recovery shall be borne by the Customer.

The Customer shall take all necessary measures for the protection of the Company's Products, at no cost to the Company, including the insurance thereof against all usual risks with a reputable insurance company approved by the Company for the full replacement value.

The Company's continuing ownership of the Products will not be affected if the Products are assembled or incorporated by the Customer into other goods (provided in the case of any part of the Company's Products that it retains its substantial identity as a separate component and can be disassembled without unreasonable difficulty or expense), or if minor processes (such as, by way of example and not limitation, re-labelling, re-boxing, re-packaging or the installation of additional or different operating software) not affecting the substantial identity of the Products are applied by the Customer to the Products.

In the event of seizure by a third party or any other act of a third party affecting the Company's interest in the Products, the Customer shall notify the Company in writing immediately.

10.2 Software

Subject to the terms and conditions hereof the Company grants to the Customer a personal non-transferable non-exclusive licence to use the Software in machine-readable form in conjunction with the Products to be supplied to the Customer. Where the Customer is not the End User, the Customer shall contact the Company to arrange an appropriate End User licence.

The Customer shall make no copies of the Software.

The Customer shall not acquire any title to ownership of the Software other than ownership of the physical media on which the Software resides.

The Customer may not modify or merge with other data or software, the Software or any part thereof.

The Customer shall not reverse assemble, modify or decompile the Software except to the extent permitted by and only in strict accordance with applicable Slovak Act No. 618/2003 Coll. The Copyright Act.

11. SPECIFICATIONS

All specifications, drawings and technical descriptions submitted with or in connection with any quotation or acknowledgement of the Company are the Company's copyright. All such copyright material and all information and "know-how" wherever supplied shall at all times be treated by the Customer as confidential and shall not without the consent of the Company be used by the Customer except for the purposes of the contract and the operation of Products supplied thereunder, nor shall they without the prior written consent of the Company, be communicated to third parties save insofar as may be necessary for the purposes of the contract and the operation of the Product supplied. The obligations on the part of the Customer to keep information confidential shall cease upon the information becoming public knowledge, other than as a consequence of breach of obligation by the Customer.

12. WARRANTY

Terms and Conditions of Warranty and Claim Procedures (henceforth referred to as TCWC) regulates the procedure, rights and obligations of the Company and the Client upon application and settlement of claims concerning the quality and correctness of the provided Company's services. The Company is authorised to amend and change the TCWC. The Company publishes the amendment to the TCWC at its Business Premises and on its web site, or in other appropriate way. The TCWC are available at Business Premises of the Company and on its web site.

13. PATENT INDEMNITY

If the Customer is threatened with any action alleging that the Products in the form sold infringe any patent, copyright registered design, design right or other intellectual property rights then provided that the Customer

promptly informs and fully co-operates with the Company and in cases where the Company so requests allows the Company to defend any action on the Customer's behalf and have the sole control of any and all negotiations for settlement, then the Company will indemnify the Customer against any award of damages and costs against the Customer arising from such action. Further, if such event occurs the Customer agrees that the Company shall have the option at its own expense either:

- a) to modify the Products so that they do not infringe, or
- b) to replace the Products with non-infringing goods, or
- c) to procure for the Customer the right for the Customer to continue its use of the Products, or
- d) to repurchase the Products from the Customer at the price paid by the Customer less depreciation.

The Company shall have no liability in respect of claims for infringement or alleged infringement of third parties patent or other proprietary rights arising from the execution of the order in accordance with the Customer's designs plans or specification or arising from combination of the Products and/or Services with any other goods/services and the Customer shall indemnify the Company against all losses, damages, expenses, costs or other liability arising from such claims.

The above indemnity is given by the Company in lieu of any or all other liabilities the Company might have in relation to any action against the Customer for infringement of patent or other proprietary rights and under no circumstances will the Company be liable for any contingent, consequential or any loss howsoever arising.

14. EXCUSABLE EVENTS

Notwithstanding any other provision of the contract, the Company shall not be under any obligation and shall have no liability to the Customer if the Company is unable to perform the contract as a result of any cause beyond the control of the Company including without limitation, acts of God, war (whether declared or not), sabotage, riot, explosion, Government control, restrictions or prohibitions or any other Customer/Government act or omission whether local or national, fire, accident, earthquake, storm, flood, epidemic, drought, or other natural catastrophes, inability to obtain equipment, suitable raw materials, components, fuel, power or transportation, disputes with workmen, strikes or lockouts, shortage of labour.

If the Company is unable to perform any of its obligations under the contract by reason of any of the causes referred to in this article then the Company shall forthwith notify the Customer of the estimated extent and duration of such inability, and any delivery programme so affected shall be extended by a period not less than the period for which such excusable event endures.

In the event that the Company is unable to perform its obligations under the contract by reason of any of the causes referred to in this article for a period of 6 (six) months or more then the Company may at any time after the expiration of such 6 (six) month period meet with the Customer to discuss the future implementation of the contract. If the Company and the Customer are unable to agree upon a basis for future implementation within 30 (thirty) days following such meeting, the Company shall be entitled to terminate the contract without liability.

15. TERMINATION

Without prejudice to any other right and remedy available to the Company, and in particular the right to accept a wrongful repudiation and recover unliquidated damages, the Company shall have the right forthwith upon written notice to suspend and/or to terminate the contract in whole or in part if the Customer commits any breach of any of the terms of the contract if the Customer is in breach of any other contract entered into by the Customer with the Company or any Group Company; and such termination will be without prejudice to the Company's accrued rights including any rights to damages, but the Company shall be relieved of any further performance.

On termination in any case, the Customer shall immediately pay any sums due to the Company and redeliver to the Company all goods of which the Customer has not already become owner.

In the case of termination by the Company following breach by the Customer, the Customer shall pay all the Company's costs and expenses, and the Company's loss consequent on such breach and termination being the Total Contract Price less any saving to the Company as to further performance by being able to resell the Products and otherwise.

16. IMPORT AND EXPORT CONSENTS

Where applicable the Company shall endeavour to obtain an export licence and all other necessary consents to enable the Products to be exported from the Slovakia. All necessary statements and documentation in support of the export licence application shall be supplied to the Company in a timely manner. It is the responsibility of the Customer to provide this information to the Company. Failure to supply this information in a timely manner may without liability to the Company affect the proposed or agreed delivery schedule of the Products. In the event that the Company is unable to obtain an export licence or visas or consents for personnel required to provide Services outside the Slovakia, the Company shall not be held liable for its failure to perform the contract. The Customer shall be responsible for obtaining all consents necessary for the import of the Products to the country of its destination and if required any visas or consents required for the entry of the personnel into the country of destination.

17. INSTALLATION, COMMISSIONING AND SUPPORT

If the Services required by the Customer are special services such as installation, commissioning, training development or management services, any additional terms of the Company applicable to such Services shall be as specified in the quotation, order or acceptance except that in the event of any conflict these conditions shall prevail.

In Bratislava, on June 1st 2013

Aliter Technologies, a.s.
Ing. Peter Dostál
Chairman of the Board