

General Terms and Conditions of NEOGRAPH,a.s.

Art. 1

Introductory Provisions

This day, month and year, NEOGRAPH, a.s. issues, as integral part of its orders, acceptances and invoices, on the basis of which an agreement arises, as well as any and all other contractual documents of commercial character and agreements themselves, where one of the Parties is represented by NEOGRAPH, a.s. performing its business activity, these General Terms and Conditions, through which legal relationships between the supplier – NEOGRAPH, a.s., with its registered office in Praha 1, Opletalova 55, Postal Code 110 00, Id. No.: 251 43 468 on the one hand (hereinafter referred to as "NEOGRAPH") and clients on the other hand (hereinafter referred to as the "Client") shall be regulated, unless the Parties explicitly agree that these General Terms and Conditions shall not apply to their legal relationship, or possibly unless they contractually regulate their relationship differently from these General Terms and Conditions (hereinafter referred to as the "GTC").

Art. 2

NEOGRAPH,a.s.

NEOGRAPH is a company whose objects of business include paper manufacture, purchase of goods for the purpose of their further sale and sale, manufacture of fibre, paper and cardboard and goods made of these materials, purchase of goods for the purpose of their further sale and sale, mediation in trade, wholesale, lease and lending of movable things, organization of specialized courses, training and other educational activities including instructor activity, manufacture of chemical substances and chemical formulations, specialized retail, activity of technical consultants in the area of the paper, printing and chemical industries.

Art. 3

Conclusion of Agreement

1. The Client shall give in an appropriate manner, including, without limitation, through an electronic form available at www.neograph.cz, by mail, email, telephone or telefax, an invitation to NEOGRAPH to submit a proposal to conclude an agreement (hereinafter referred to as the "Invitation"). The Client agrees to indicate, in his/her Invitation, all the data required by NEOGRAPH, NEOGRAPH agrees to use the data only for the purpose of processing the Invitation, to prepare the agreement and for possible performance of the agreement pursuant to par. 3.
2. The Invitation is, among others, a legal act by which the Client expresses his/her consent with these GTC as integral part of the purchase agreement concluded between the Client and NEOGRAPH, as well as all the previous agreements agreed between the Parties prior to the date when these GTC become effective. Both the Client and NEOGRAPH are bound by the GTC from this moment on.
3. NEOGRAPH agrees to prepare a draft agreement on the basis of the Invitation. The Client agrees to provide NEOGRAPH with co-operation necessary for the preparation of the draft agreement.
4. NEOGRAPH shall deliver the draft agreement to the Client. This draft shall be revocable until the consent with the wording of the agreement is delivered to NEOGRAPH,

in the form of a duly signed draft agreement by an authorized person. The Client shall be obliged to deliver the duly signed draft agreement to NEOGRAPH immediately, at the latest within 5 working days after receiving the draft agreement. The time of mail transport is not included in the term pursuant to the previous sentence.

5. The purchase agreement is created upon the Client's consent with the draft agreement, expressed by due execution thereof by an authorized person, and delivery of the signed draft agreement to NEOGRAPH (hereinafter referred to as the "Agreement"). Until the duly signed draft agreement is delivered to NEOGRAPH, NEOGRAPH shall not be obliged to commence the performance of the subject of the Agreement. Should NEOGRAPH commence, with the Client's consent, the performance and should the Client fail to deliver to NEOGRAPH the duly signed draft agreement or should the Client otherwise make the conclusion of the Agreement impossible, NEOGRAPH shall be entitled to claim compensation for any and all expenses incurred in connection with the existing performance of the subject of the Agreement increased by 10% as a contractual penalty.
6. Should the Client deliver the Agreement after the time limit pursuant to par. 4, NEOGRAPH may express its dissent with creation of the Agreement. If NEOGRAPH expresses this dissent, the Agreement shall not be created.

Art. 4

Price and Payment Terms

1. All the prices of goods provided by NEOGRAPH shall be contractual. The price shall be stipulated in the Agreement. NEOGRAPH shall be entitled to add the relevant value added tax to the resulting prices.
2. NEOGRAPH shall be entitled to increase the price pursuant to par. 1 unilaterally, in maximum by 10%, if the costs of performance of the subject of the Agreement objectively increase. The objective increase means, without limitation, the increase in the costs of subcontractors and so on. The Client's consent shall be necessary for an increase exceeding 10%. NEOGRAPH shall be obliged to call on the Client to express the consent pursuant to the previous sentence. Should the Client fail to state his/her opinion within 5 days from delivery of the notice, it shall be deemed that the Client agrees with the increase in the price. If the increase is supposed to exceed 10% and the Client does not express his/her consent, the Client shall be entitled to withdraw from the Agreement, however shall be obliged to reimburse all the existing costs of performance of the subject of the Agreement .
3. The prices shall be determined without VAT.
4. NEOGRAPH shall issue, on the basis of a delivery note, an invoice for the ordered and delivered goods, as a tax document containing information required by the law. If the delivery of the ordered good is performed in several partial deliveries, NEOGRAPH shall be entitled to issue an individual invoice for each partial delivery.
5. The Client shall settle the invoice by payment into the NEOGRAPH's bank account stated in the invoice, in the period of maturity stated in the invoice, which shall not be less than 14 days from the date of its issuance. If the information on maturity is not stated in the invoice, the invoice shall be due by the 14th day from the date of its issuance, and if the information on the date of its issuance is missing, then by the 14th day from the date of its delivery.
6. If the bank account is not indicated in the invoice, the payment shall be sent into account No. 1083362/0800, IBAN: CZ9608000000000001083442, Swift: GIBACZPX, Constant Symbol: 0008.

7. Should the issued invoice fail to be properly and timely settled, the Client is in default. NEOGRAPH shall be entitled to claim for each day a contractual default interest amounting to 0.5% daily of the value of the issued invoice, while being entitled, without any penalties, to refuse to perform any further obligations (e.g. resulting from further orders and so on). Should the delay of payment for the invoice exceed one month, NEOGRAPH shall be entitled, besides the above-mentioned contractual default interest, to claim also a one-off contractual penalty amounting to 20% of the value of the issued invoice. NEOGRAPH's right for the statutory default interest is not prejudiced by the provision of this paragraph. Exercise of penalties pursuant to this paragraph shall not prejudice NEOGRAPH's right for damages.
8. Delay of payment for the invoice exceeding 10 days shall be considered as a material breach of the Agreement.
9. Payments provided in default shall be included in contractual penalties and accessions first, and only then in the principal.
10. The Parties have agreed, in accordance with Section 445 of Act No. 513/1991 Sb.1, the Commercial Code, as amended, that the Client shall acquire the title to the goods only upon the full payment of the purchase price (by settlement of invoices).

Art. 5

Delivery of Goods

1. Delivery of goods for purposes of this Agreement means handover of the goods to the first carrier for transportation to the Client, takeover by the Client from NEOGRAPH, or possibly the delivery according to par. 3.
2. Upon the delivery of the goods, the risk of damage to the goods shall pass from NEOGRAPH to the Client – the damage incurred during transportation shall be enforced by the Client from the carrier. If the goods cannot be delivered to the Client due to reasons on the Client's part, the risk of damage to the goods shall pass to the Client in the moment of the first unsuccessful attempt to deliver the goods. The same shall apply if the Client, without any strong reasons, refuses the delivery of the goods.
3. If the Parties agree on a place of delivery in the Agreement, NEOGRAPH shall deliver the goods to the address stated in the Agreement as the place of delivery.
4. In case of doubts NEOGRAPH shall deliver to the address of the registered office stated in the Commercial Register or any similar register.
5. Delivery note and possibly further documents shall make part of each delivery if law so provides, or if the Parties explicitly agree on it.
6. The Client shall be obliged to examine the goods immediately after the risk of damage to the goods has passed, in the case of dispatch through a carrier, immediately after the delivery of the goods.

Art. 6

Terms of Delivery of the Goods

1. NEOGRAPH agrees to deliver the goods (the subject of the Agreement) in the term determined in the Agreement.

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2. NEOGRAPH shall be entitled to extend the term of delivery determined by the Agreement unilaterally, in maximum by 14 days, but only if any objective reasons exist.
3. Should NEOGRAPH fail to deliver the goods (the subject of the Agreement) in the term determined in the Agreement, or in the term possibly modified pursuant to par. 2, and even in the additional reasonable term determined by the Client, NEOGRAPH shall be obliged to pay to the Client a contractual default interest amounting to 0.5% daily of the price pursuant to Art. 4 (1).

Art. 7

Quantity of Delivered Goods

1. Determination of the required quantity of the goods shall be part of the Invitation. If NEOGRAPH is not able to deliver the quantity required by the Client in the determined term, NEOGRAPH shall be obliged to inform the Client on this fact.
2. The quantity of delivered goods is determined in the Agreement and the delivery note, which forms part of each delivery.
3. Should the delivery be determined by weight, a weight allowance of $\pm 10\%$ shall be determined unless the Agreement provides otherwise. If the weight allowance is higher and this defect is not, upon the Client's notice, removed by NEOGRAPH during the additional, at minimum one week term, NEOGRAPH breaches immaterially this Agreement. The burden of proof in respect of exceeding the maximum weight allowance falls on the Client.

Art. 8

Warranty Claim

1. Warranty claim (Art. 7 (3)) shall be carried out in writing, the Client shall be obliged to state the numbers of the delivery and the invoice, and to describe in detail the defects of the delivered goods. The burden of proof in respect of existence of defects falls on the Client.
2. NEOGRAPH agrees to express its opinion in respect of the warranty claim within 30 days from the date of its delivery. Should NEOGRAPH fail to express its opinion even in an additional term that must be at minimum 1 week, NEOGRAPH breaches this Agreement.
3. Unless the Parties agree on justification of the warranty claim as well as on its solution, the arbitrator shall resolve these matters in proceedings pursuant Art. 10 (5).

Art. 9

Withdrawal from the Agreement

1. NEOGRAPH shall be entitled to withdraw from the Agreement if the Client materially breaches the Agreement or the provisions of these GTC.
2. The Client shall be entitled to withdraw from the Agreement if NEOGRAPH materially breaches the Agreement or the provisions of these GTC.
3. NEOGRAPH shall be entitled to withdraw from an already created purchase agreement if it cannot be justly, for objective reasons or reasons which NEOGRAPH is not able to influence, required from NEOGRAPH to perform the subject of the Agreement. However, in such a case NEOGRAPH shall be obliged to compensate appropriately the provable costs that the Client incurred in connection with the Agreement. If it is possible to perform at least part of the Agreement and if it is economical and expedient, NEOGRAPH is obliged to perform at least partially.

Art. 10

Final Provisions

1. The legal relationships between NEOGRAPH and the Client established by the Agreement and these GTC shall be governed by the law of the Czech Republic (governing law), including, without limitation, Act No. 513/1991 Sb., the Commercial Code, as amended (hereinafter referred to as the "ComC" or the "Commercial Code").
2. The Parties have agreed that if their legal relationship does not fall under the legal relationships regulated under Section 261 of the ComC, they conclude an agreement within the intention of the provisions of Section 262 of the ComC, i.e. that their legal relationship shall be governed by Act No. 513/1991 Sb., the Commercial Code, as amended.
3. Should the Client be a consumer within the intention of the provision of Section 52 (3) of Act No. 40/1964 Sb., the Civil Code, as amended (hereinafter referred to as the "CivC"), the Parties agree to comply with the provisions with respect to consumer agreements under Section 51a et seq. of the CivC as well as related legal regulations if they do not contradict the principle of equality of the contractors.
4. The matters that are not regulated by the Agreement or these GTC are governed by the Commercial Code.
5. All disputes arising from these GTC and the Agreement, an integral part of which is formed by these GTC, or in connection with them, shall be heard and resolved in arbitration proceedings before a sole arbitrator. The Parties have explicitly agreed that the way of establishing of arbitrator in accordance with Section 7 (1) of Act No. 216/1994 Sb. (hereinafter only "Act") will be appointment by unlimited partner (statutory body) of Rozhodčí soud České republiky, k.s. (Arbitration Court of the Czech Republic), Id. No.: 27606694 (hereinafter only "Arbitration Centre") from the List of Arbitrators of the Arbitration Centre valid in the time of the commencement of the arbitration proceedings published on website <http://www.rozhodcisoud.net/rozhodci.php> and in Commercial Bulletin. The Parties have explicitly agreed in accordance with Section 19 (3) of Act that oral procedure and in accordance with Section 25 (2) of Act that reasoning of the arbitration ruling are not necessary. The Parties hereby authorize the arbitrator in accordance with Section 25 (3) of Act to resolve the dispute in accordance with the principles of justice (equity). Arbitration proceedings including all decisions (arbitration award etc.) will be in Czech language.
6. At the same time, the Parties to the Agreement, an integral part of which is formed by these GTC, agreed that these GTC including Art.10 (5) shall form integral part of all agreements concluded between the same parties prior to the date when these GTC become effective.
7. The Parties have agreed that they exclude all statutory provisions that contradict the principles of equality and justice from the mutual application.
8. Personal data are protected in accordance with the provisions of Act No. 101/2000 Sb., on Protection of Personal Data and on Amendments to Some Related Acts, as amended, while by the conclusion of the agreement the Client gives his/her explicit consent for an indefinite term with processing of his/her personal data, and NEOGRAPH agrees to use these data only for the purpose of processing the Invitation, preparation and performance of the Agreement, or possibly for purposes of offers of further services by NEOGRAPH, and not to disclose them to any third persons. NEOGRAPH shall be entitled to provide the information pursuant this paragraph in the necessary scope to the carrier if it is necessary for

the performance of this Agreement. The Client shall be entitled to express his/her dissent with registration of his/her personal data.

9. The term "Client" in these GTC means, without limitation, the "buyer" within the intention of the provisions of Sections 409 et seq. of the ComC.
10. These GTC form integral part of all the agreements concluded between NEOGRAPH on the one hand and the Client on the other hand after the date when these GTC become valid and effective. At the same time, they form part as an amendment to the agreement on agreements pursuant to Art. 10 (6).
11. Should the Agreement provide otherwise than these GTC in a particular case, the provision of the Agreement shall be used in the particular case.
12. The Parties express their consent with the wording of these GTC. If there are any differences between Czech and English version of these GTC, the Czech version is decisive. NEOGRAPH reserves the right to adjust additionally these GTC, even in the course of the term of a legal relationship, but not in a material manner.
13. These GTC become valid and effective on 1 July 2009.

In Prague, on 1 July 2009

NEOGRAPH,a.s.

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appendix 1

General Terms and Conditions of NEOGRAPH,a.s. (1 July 2009) are changed, not fundamentally, as follows:

1. In Art. 3 (2) first clause, Art. 3 (5) first clause, Art. 4 (10), Art. 9 (3) is deleted the word „purchase“.
2. In Art. 4 (7) is changed numeral „20%“ to „5%“.
3. In Art. 10 (5) is deleted: „from the List of Arbitrators of the Arbitration Centre valid in the time of the commencement of the arbitration proceedings published on website <http://www.rozhodcisoud.net/rozhodci.php> and in Commercial Bulletin.“
4. These amendments to the GTC become valid and effective on 18 January 2010.

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