

## GENERAL TRADING CONDITIONS FOR ALCOMA EQUIPMENT AND SERVICES VALID FROM 01 June, 2012

These general trading conditions regulate mutual rights and obligations of ALCOMA a.s. company as the seller, contractor or leaser (further referred to as the Supplier) and the other party as buyer, ordered or hirer (further referred to as the Customer) for the purposes of sale of goods and services; these general trading conditions are an integral part of any purchase contract, any lease contract or any contract for work.

By conclusion of contract, the Customer thereby affirms that they agree with these general trading conditions and that any queries based on unfamiliarity with the general trading conditions are null and void. Should any provision of these general trading conditions be regulated in a different manner by an orderly written agreement, such regulation is paramount to these general trading conditions.

### 1. DELIVERY DATE AND PAYMENT CONDITIONS

The Supplier supplies goods and services based on a contract or a written purchase order, sent or delivered in another manner by the Customer. The Supplier will confirm the purchase order usually within 2 days in written, by telephone or via e-mail.

#### Standard Delivery Date

The standard delivery date for unlicensed bands equipment is 3 weeks, for licensed bands equipment is 6 weeks. Should serious difficulty in manufacturing occur or should a sub-supplier of components fail with delivery, the Supplier reserves right to adequately prolong the indicated delivery date. The Supplier will immediately inform the Customer about this.

Supplier can request an advance payment of up to 100 per cent of the price of ordered goods by an advance payment invoice, including proportional amount of VAT. Invoice that includes the remaining price of delivery, including VAT and other relevant materials or services, is issued after delivery of goods.

#### Shortened Delivery Date

Should the circumstances allow it, it is possible to arrange for a shortened delivery date.

### 2. PRICE AND PAYMENT CONDITIONS

Prices of goods are specified in a price list or an offer that is sent to the Customer. The Supplier reserves right to alter prices included in price list. Prices used for quotation of a purchase order are prices included in a price list that is valid at the time of purchase order reception.

Price of goods is valid at the Supplier's manufacturing plant warehouse. Transport costs for transport of goods from the Supplier's warehouse to destination point are covered by the Customer. In case the Customer arranges for transport by their own carrier, the Supplier will hand the goods over to this carrier within appropriate date. The Customer covers transport costs and bears risk for losses or damage. Should the Customer be in any delay of fulfilment of their obligations towards the Supplier, should bankruptcy be proposed on the Customer's property, or should the Customer be in process of winding up, all the Supplier's accounts receivable towards the Customer become payable.

Both parties stipulate that should the Customer be in delay with payment of price, the stipulated default interest is 0,1 per cent of the amount due per each day of delay and the Customer is obliged to pay it. Payment of the default interest does not aggrieve the right of the Supplier to claim compensations for damages that occurred to him due to unpaid prices and unpaid default interests.

In case the Customer is in delay with payment of price or its advance payment, the Supplier is entitled to withdraw from any other contract concluded with the Customer and pull delivery of other goods, also regarding the previously confirmed purchase orders. In this case, the Supplier is not in delay with delivery of ordered goods. The delivery date of pulled goods is prolonged by the length of the Customer's delay in paying the price or respective advance payment.

In case the Customer is in delay with taking over the goods, the Customer is obliged to compensate the damage that occurs in this way to the Supplier.

The goods become property of the Customer only after 100 per cent of the price is paid. In case of withdrawal from the contract and taking away the goods due to Customer being in delay with payment, the Supplier is eligible for compensation of costs that occur in connection with taking away the goods, subsequent sale and damage occurred, if the object matter of the contract was subsequently sold for a price lower than the price that had been agreed. The Customer is obliged to allow the Supplier to take the goods away.

The Supplier can protect the equipment from unauthorized usage by temporary software code (expiration), which disables functionality of the equipment. Customer may ask Supplier for permanent code or prolongation code after paying the equipment or rental costs. Software code is sent by e-mail, or by mail when e-mail is unknown. Supplier reserves 5 working days for generating and sending codes.

### **3. INSTALLATION AND MASTER INSTALLATION**

#### **Equipment Installation**

ALCOMA equipment installation can be performed only by the Supplier or by a company that is thereto delegated by the Supplier.

Installation of unlicensed band equipment must be preceded by reconnaissance work (frequency spectrum measurement) of the considered equipment at the installation position. Equipment purchase order specifications will be determined after its completion. Should the Supplier perform the installation, the installed equipment equipped with defined interface will be handed over to the Customer. Integration of the equipment into system is not subject of the installation and of putting the equipment into service.

#### **Master Installation**

Master installation represents inspection of work done by technicians, final adjustment of antennae directions, inspection of reserve for leaks and error rate, or elimination of possible faults. Master installation does not replace comprehensive installation and equipment activation.

### **4. WARRANTY AND WARRANTY SERVICE**

Warranty period for ALCOMA products and services is 12 months. Warranty period for other manufacturers' products that are sold by the Supplier as an intermediary is determined by warranty conditions of such manufacturers. Warranty period begins on the date of acceptance of the products by the Customer or from the date of handing over the equipment in case the equipment installation is performed by the Supplier.

Warranty period can be extended to 24 months for additional charge of 3 per cent of the equipment price.

#### **Warranty Conditions**

Warranty does not cover:

- a. Faults caused by inappropriate use of device or inappropriate connection of driving voltage or signal sources, inappropriate interconnection of units or unauthorized treatment of the device.
- b. Faults caused by external influences, e.g. damage caused by the Customer's own transport, damage caused by hit, unqualified and incorrect installation, aggressive substances, etc. Warranty also does not cover damages that occurred as a result of a lightning stroke and any of its consequences.
- c. Warranty becomes void in case the seals are breached. Service treatment on the device can only be performed by the ALCOMA company or by a company with ALCOMA's consent, that will re-seal the device after completion of service. Manner of Warranty Service Performance.

Service of ALCOMA device is performed in the Supplier's manufacturing plant. Service is either performed in exchange manner, where the faulty unit is replaced as a whole by a spare unit or by direct repair of the faulty unit. Replacement unit or repaired unit is available in the manufacturing plant no later than 30 days since the delivery of the faulty unit.

The extra payment will be required in case of permanent replacement of the unit older than 6 month in case that the original unit can be repaired in the legal period of 30 days.

If the Customer requests the repair to be performed outside the manufacturing plant, they will arrange for a suitable date of repair with the Supplier. Shall the nature of the fault allow, the fault will be repaired at-the-spot. On contrary, the course of performance included in the previous paragraph will be taken into account.

After performance of repair or detection of fault outside the manufacturing plant, the Customer pays for transport cost and down-time accordingly to a valid price list. Replacement or repair of a faulty component during the warranty period is performed free of charge.

## **5. SERVICE AFTER WARRANTY PERIOD**

The manner of service after warranty period and repair dates are identical as with warranty service, the difference is that replacement or repair of a faulty component is paid for by the Customer. During performance of a repair or detection of fault outside the manufacturing plant, the Customer pays for transport cost, specialized work and down-time accordingly to a valid price list.

## **6. CONTRACTUAL SERVICE**

The Customer may, based on mutual agreement with the Supplier, arrange for a special contract for faster contractual service. Within this service, the following can be provided:

- a. Faster availability of replacement units at the manufacturing plant for companies that are authorized to individually perform service of ALCOMA equipment.
- b. Shorter time limits needed for commencement of repair and for putting the equipment into service at the spot of installation.

In order to arrange for a shorter time limit for commencement of repair, it is essential for each equipment to be equipped with administration of one hop and each equipment network to be equipped with network administration which will be accessible to the service department of the Supplier via internet or a telephone line.

## **7. LIABILITY FOR LOSSES**

The Supplier is not responsible for possible losses caused to the Customer due to disconnection due to faults, repairs, installations and connection redirection, unless this is regulated by a special agreement.

Operation of equipment in license free bands is not provided by protection against interference caused by other telecommunications and radio devices in this wave range and all frequencies are shared. On this account, the Supplier is not responsible for losses caused to the Customer due to possible interference of their connection by an extraneous device.

## **8. RESOLUTION OF DISPUTES**

Parties have in accordance with the Czech Act No. 216/1994 Col. agreed, that all and any disputes that will arise from this obligation relationship or in connection with it shall be arbitrated in arbitral proceedings ("AP") by a sole arbitrator ad hoc. Parties explicitly authorize the Chairman of the Board of Directors of the company Unie pro rozhodčí a mediační řízení ČR, a.s., Id.No. (IČ): 27166147 ("Union") to appoint the arbitrator for the AP and authorize him to authorize a third person to appoint the arbitrator on his behalf. The motion shall be filed with the Chairman of the Board of Directors of the Union to the address Cejl 91, 602 00 Brno, Czech Republic, while this address shall be the place where the AP will be held. Parties explicitly authorize the arbitrator to determine the price of the AP and have agreed that the

AP will be carried out for the price that is published on [www.urmr.cz](http://www.urmr.cz) by the potential arbitrator in the moment of the motion filing. The price of the AP will be increased by one half in case of an AP with international element. Counterclaim and set-off in the entire amount shall be charged in the same manner. Discontinuation of the AP does not have any effect on the arbitrator's right to the payment of the price of the AP, price of the AP already paid shall not be refund. The arbitrator is authorized by the parties to carry out the AP in Czech language, as written proceedings i.e. without ordering an oral hearing, to decide on the basis of the principles of equity, to issue a decision without reasoning. Parties agree that the arbitrator can authorize third persons to carry out administrative and economic activities and release him from secrecy in this extent. Parties have agreed that the Chairman of the Supervisory Board of the Union shall decide about removal of the arbitrator, that the price of the AP is the cost of the AP, that all papers can be delivered to them to addresses mentioned in documents containing the arbitration contract and that the AP provisions of the Czech Code of Civil Procedure shall be adequately applied in regard to the delivery manner; deposition at the court shall be replaced with the deposition by the arbitrator and the publication on the official notice board shall be substituted with the publication on [www.urmr.cz](http://www.urmr.cz).

## **9. VALIDITY**

These trading conditions come into power on 01.07.2012 and supersede the previous versions.