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# General Terms and Conditions for Storage

General Terms and Conditions for Storage of the company **TOYOTA TSUSHO EUROPE S.A. acting through TOYOTA TSUSHO EUROPE S.A., organizační složka v České republice**, with its registered office at: Plzeňská 3185/5b, 150 00 Praha 5, Czech Republic, ID No: 264 55 137, registered in the Commercial Register kept by the Municipal Court in Praha, Section A, Insert no. 44474 (hereinafter „**TTESA**“ or „**Warehouse-keeper**“) for contractual relationships established under the provisions of Section § 527 et seq. of the Act No. 513/1991 Coll., Commercial Code, as amended, between TTESA as Warehouse-keeper on one side and its customers as Depositor on the other side (hereinafter „**General Terms and Conditions**“).

## 1 Introductory Provisions

- 1.1 In accordance with Section 273 of the Commercial Code, these General Terms and Conditions shall apply, to contractual relationships being established between TTESA as Warehouse-keeper on one side and individuals or legal entities as depositors on the other side (hereinafter „**Depositor**“) in connection with acceptance by Warehouse-keeper of a thing from Depositor and taking care of such thing by Warehouse-keeper for consideration, performed by Warehouse-keeper pursuant to a contractual relationship with Depositor.
- 1.2 These General Terms and Conditions form an integral part of each contractual relationship established between Warehouse-keeper and Depositor (i.e. of each „Contract“ in accordance with paragraph 2.1 below), whose subject matter is storage or storage-related services, unless explicitly otherwise agreed in specific contractual provisions, and these General Terms and Conditions shall be binding upon the contracting parties for the whole period of duration of the contractual relationship until all receivables that have arisen between Warehouse-keeper and Depositor are settled in full, in the wording effective at the time of establishment of the contractual relationship. Any special regulation at variance with these General Terms and Conditions, that might possibly be agreed between Warehouse-keeper and Depositor in writing, shall supersede and take precedence over these General Terms and Conditions in relation to a specific business transaction and contractual relationship to the extent, to which the regulation stipulated in these General Terms and Conditions differs from the written agreement between Warehouse-keeper and Depositor. As regards the rest, these General Terms and Conditions shall apply.
- 1.3 If any provision of these General Terms and Conditions becomes invalid, ineffective or unenforceable, to whatever degree or extent, under the valid legal regulations, the validity, effectiveness, enforceability or another legal perfectness of the remainder of provisions shall not be affected thereby. Immediately after the existence of any of the above-mentioned facts has been ascertained, any such invalid, ineffective or unenforceable provision of the General Terms and Conditions or a written agreement between Warehouse-keeper and Depositor shall be replaced by a written amendment of the contracting parties, containing new contents of the concerned provision; to this end, the contracting parties shall provide each other with the necessary cooperation. The same shall apply in the case of legal gap.

## 2 Formation, Changes and Discharge of Storage Contract

- 2.1 **Formation of Contract:** Storage Contract between Warehouse-keeper and Depositor is concluded either by means of (i) Warehouse-keeper's express and full written approval of the contents of Depositor's written order, i.e. by proposal acceptance that takes effect upon delivery to Depositor of the Warehouse-keeper's proposal acceptance, or upon (ii) Warehouse-keeper's acceptance of a thing from Depositor for storage and signing a written confirmation of acceptance and takeover of a thing by Warehouse-keeper and Depositor respectively (hereinafter „**Confirmation of Storage**“) or upon (iii) conclusion of a separate storage contract between Warehouse-keeper and Depositor (hereinafter jointly „**Contract**“).
- 2.2 **Form of Proposal and Confirmation of Storage:** A written order of Depositor must be placed in form and have contents provided for in Attachment to these General Terms and Conditions (order form is also published at Warehouse-keeper's website [www.ttlc.cz](http://www.ttlc.cz)). Sending by Warehouse-keeper of the order to Depositor shall be deemed to be an express consent of Warehouse-keeper to the terms and conditions of the Contract set forth in these General Terms and Conditions provided that the order must include an unambiguous reference to these General Terms and Conditions and Depositor's express representation that Depositor has been acquainted with the contents of these General Terms and Conditions and that it agrees with their application to the given contractual relationship with

Warehouse-keeper. As a rule, the written Confirmation of Storage of a thing, based on which the Contract according to paragraph 2.1 (ii) above is concluded, shall be made in form and shall have contents as provided for in Attachment to these General Terms and Conditions, and by signing this confirmation Depositor grants approval to the terms and conditions of the Contract set forth in these General Terms and Conditions.

- 2.3 **Changes to Contract:** The Contract may be only changed by agreement of the contracting parties in form of a written amendment to the Contract.

### 3 Contents and Elements of the Contract

- 3.1 **Subject-matter of the Contract:** Under the Storage Contract, Warehouse-keeper shall be obliged to accept the things (goods) specified in the Contract from Depositor in order to deposit and look after (store) the same, and Depositor shall undertake to provide Warehouse-keeper with consideration (storage fee) in return for the aforementioned. The contracting parties may agree in written form that, in addition to storage, Warehouse-keeper shall render other related services to Depositor, in return for consideration, as offered by Warehouse-keeper.

- 3.2 **Warehouse:** Warehouse-keeper shall ensure the storage of the things accepted under the Contract in the distribution warehouse of TTESA located at the address: 462 10 Liberec, Heyrovského 488 (hereinafter the "**Warehouse**"). Should there be lack of available storage spaces, or for other operational reasons, Warehouse-keeper may store the accepted things in other suitable premises, too. Provided that the place of acceptance or delivery of the goods from the Warehouse agreed in the Contract is the Warehouse, but Warehouse-keeper is storing the goods in premises other than the Warehouse, Warehouse-keeper shall ensure, at its own expense and liability, the transportation of the goods from/to the Warehouse at the agreed date of acceptance/delivery from the Warehouse. To this end, Warehouse-keeper may use the services of third parties.

- 3.3 **Time of Acceptance:** The goods for storage shall be accepted by Warehouse-keeper from Depositor during the operating hours of the Warehouse, as specified at Warehouse-keeper's website.

The goods to be accepted for storage must be delivered no later than two (2) hours prior to the end of the operating time of the Warehouse. The handover of any goods for storage the quantity of which exceeds an equivalent of one hundred (100) EURO pallets must be announced by Depositor to Warehouse-keeper at least forty-eight (48) hours in advance; otherwise, Warehouse-keeper may refuse to accept the portion of the goods that exceeds its storage capacity and instruct Depositor to return later, and accept the goods from other (duly announced) Depositors first. Outside the operating hours of the Warehouse, Warehouse-keeper shall only be obliged to accept the goods for storage, provided that this has been expressly agreed in the Contract or provided that Warehouse-keeper has been previously notified in writing of the requirement to accept the goods at a different time, and provided that it has confirmed the required different time in writing.

Should there be no time limit set out in the Contract for the handover of the goods for storage, Depositor shall hand the goods over for storage no later than within six months after entering into the Contract. Should the goods not be handed over within the aforementioned time limit (unless agreed otherwise in the Contract), the Contract shall cease to exist upon expiration of the said time limit and Warehouse-keeper shall be entitled to a lump-sum payment in return for the processing of the Contract and for the reservation of storage spaces, which shall be equal to the amount of the storage fee for seven (7) days.

- 3.4 **Place of Acceptance:** Unless explicitly agreed otherwise in the Contract, the place of acceptance of the thing for storage shall be the Warehouse. In the Contract, the contracting parties may also agree that the goods shall be accepted for storage outside the Warehouse. In such case, the transportation of the goods for storage from the place of acceptance shall be ensured by Warehouse-keeper and such transportation shall be charged as per Warehouse-keeper's price offer. Provided that the contracting parties have agreed that the goods for storage shall be accepted at a place other than the premises of the Warehouse, Depositor shall be obliged to notify Warehouse-keeper in writing (through so-called 'notice of delivery'), no later than seven (7) days prior to the proposed day of acceptance, of the following information:

- (i) the place of acceptance of the goods (provided that more potential places of acceptance than one have been agreed in the Contract);
- (ii) a specification of the type and quantity of the goods for acceptance;
- (iii) an identification of the person authorized to hand the goods over to Warehouse-keeper at the place of handover, including the person's telephone number;
- (iv) the required date of acceptance of the goods.

Warehouse-keeper shall immediately confirm to Depositor the acceptance of the notice of delivery or inform Depositor of its objections to the notice (e.g. should the required date of acceptance of the goods be unacceptable for operational reasons or should the required quantity of the goods for acceptance exceed the storage capacity of Warehouse-keeper). Upon confirmation of the notice of delivery, the acceptance of the goods shall be deemed firmly agreed and, should the handover of the goods not take place at the agreed date for reasons on Depositor's part,

Warehouse-keeper may require the payment, as per Warehouse-keeper's price offer, for the transportation of the goods from the agreed place of acceptance (as if the acceptance had taken place) as well as a cancellation fee for the unrealized acceptance of the goods, as per Warehouse-keeper's price offer.

- 3.5 Loading/Unloading on Acceptance:** On acceptance of the goods for storage, the unloading of the goods from the vehicle shall be the responsibility of Depositor. At Depositor's request, Warehouse-keeper shall unload the goods from the vehicle in return for payment as per Warehouse-keeper's price offer, providing that the vehicle transporting the goods to the Warehouse for Depositor must be driven up to the unloading platforms in conformity with Warehouse-keeper's instructions, so that the goods can be unloaded in a standard manner using Warehouse-keeper's handling equipment.

Provided that it has been agreed that the goods for storage shall be accepted at a place of acceptance other than in the Warehouse, the loading of the goods on Warehouse-keeper's vehicle shall be the responsibility of Depositor. If Depositor requires Warehouse-keeper to ensure the loading of the goods at the place of acceptance, such a requirement must be specified in the notice of delivery and confirmed by Warehouse-keeper. In return for ensuring the loading of the goods on the vehicle, Warehouse-keeper may charge payment as per the price offer.

- 3.6 Confirmation of Acceptance:** On acceptance of the goods, Warehouse-keeper shall confirm to Depositor a copy of the delivery note relating to the goods, which shall be issued by Depositor and which must contain a specification of the accepted goods, particularly in terms of the type of the goods, quantity of the goods, number and type of the accepted packages of the goods. Depositor shall provide Warehouse-keeper with one (1) counterpart of the delivery note. At Depositor's request, Warehouse-keeper may issue a separate written confirmation of acceptance and storage of the goods in the form of a security which shall authorize its holder to demand the release of the thing stored (hereinafter the "**Warehouse Warrant**"). The issuance of the Warrant shall be subject to the General Terms and Conditions set out in Article 9 below and charged as per Warehouse-keeper's price offer.

On handover of the goods for storage, Depositor shall be obliged, in writing, to draw Warehouse-keeper's attention to any specific nature of the goods and of their packaging and to any rules that need to be observed while handling and packing the goods. The obligation under this paragraph shall be deemed performed, provided that the necessary information about the nature of the goods and about the rules for their handling are properly and visibly indicated on the packaging of the goods. Should Depositor fail to meet the obligation under this paragraph, Depositor shall be liable for any damage incurred as a result of its failure to meet this obligation.

- 3.7 Refused Acceptance:** Warehouse-keeper does not undertake to accept and may refuse to store a thing, provided that the thing does not comply with the terms and conditions set out in the Contract, particularly if hazardous goods are concerned (see paragraph 4.7 below), which Warehouse-keeper has not undertaken to accept under the Contract, if the thing is strongly soiled, improperly marked (see paragraph 3.10 below) or unpacked (see paragraph 3.9 below), or if there is a risk of damage to the stored thing as a result of its nature, as well as goods that do not meet the technical parameters of the goods that are usually accepted by Warehouse-keeper for storage.

Provided that Warehouse-keeper has undertaken to accept the goods under the Contract, Warehouse-keeper may only refuse to accept the thing for storage due to insufficient capacity of the Warehouse on condition that it has notified Depositor of the impossibility to accept the thing for capacity reasons at least forty-eight (48) hours in advance or on condition that the quantity of the things delivered by Depositor for storage exceeds the quantity that has been agreed by the contracting parties in the Contract. In such case, Warehouse-keeper may refuse to accept for storage any things delivered for storage exceeding the agreed quantity.

- 3.8 Period of Storage:** Unless set out otherwise in the Contract, Warehouse-keeper shall accept the goods for storage for an indefinite period. If the storage has been agreed for an indefinite period, Depositor may collect the goods at any time during the operating hours of the Warehouse, providing that the last requests for the release of the goods from the Warehouse shall be accepted no later than four (4) hours prior to the end of the operating time of the Warehouse. The collection of any goods the quantity of which exceeds an equivalent of one hundred (100) EURO pallets must be announced by Depositor to Warehouse-keeper at least forty-eight (48) hours in advance. Should Depositor fail to comply with the time limit for notification pursuant to the previous sentence, Warehouse-keeper shall not be obliged to release the goods on the day of receipt of the said request for the release of the goods from the Warehouse. Upon collection of all the goods stored, the Contract for an indefinite period shall cease to exist.

If the storage has been agreed for a definite period, Depositor may also collect the goods prior to its expiration. Unless set out otherwise in the Contract, Depositor shall be obliged, prior to collecting the goods from the Warehouse, to pay the storage fee and other charges payable to Warehouse-keeper under the Contract.

- 3.9 Packaging:** The goods handed over to Warehouse-keeper for storage must be properly packed and the packaging of the goods must, in particular, adequately protect the goods against damage or destruction (including a loss of its individual parts and accessories), protect other goods or the Warehouse from being soiled and enable transportation of the goods (including the use of Warehouse-keeper's transportation and handling equipment, provided that its use

may be assumed with regard to the weight or volume of the goods). The goods packed on pallets, in containers, boxes, cartons or other similar packaging must be sufficiently secured against movement.

Should the goods not be packed properly, Warehouse-keeper may refuse to accept the goods. However, Warehouse-keeper's acceptance of any goods with defective packaging shall not result in its liability for damage incurred as a consequence of the goods' improper or insufficient packaging, unless the defectiveness of the goods' packaging and the risk of damage have been absolutely obvious on acceptance of the goods. Any defectively packed goods may be packed properly by Warehouse-keeper at Depositor's expense.

- 3.10 Labelling:** Depositor shall be obliged to mark (label) the goods properly on their packaging. The goods must be marked in accordance with the applicable legal regulations; among others, they must bear information about the nature of the goods, their hazards and also instructions on how to handle the goods.

Should the goods not be marked properly, Warehouse-keeper may refuse to accept the goods. However, Warehouse-keeper's acceptance of any goods with incorrect or insufficient labelling shall not result in its liability for damage incurred as a consequence of the goods' incorrect or insufficient labelling, unless the defectiveness of the goods' labelling and the risk of damage have been absolutely obvious on acceptance of the goods. Any incorrectly marked goods may be marked properly by Warehouse-keeper at Depositor's expense.

- 3.11 Check on Acceptance for Storage:** On acceptance of the goods, Warehouse-keeper shall check the congruence between the quantity of the goods handed over and the documents relating to the goods (delivery note) and usually also the packaging and labelling of the goods. However, on acceptance of the goods, Warehouse-keeper shall not be obliged to check the goods' proper packaging and labelling, and Warehouse-keeper's confirmation of the delivery note or issuance of another confirmation of acceptance of the goods shall not be deemed as confirmation of the goods' proper packaging and labelling. The quantity of the accepted goods shall be verified by Warehouse-keeper according to the declared number of items on a pallet, in a container or other packaging in which the goods are accepted. Unless Depositor has ordered such a check of the goods separately, Warehouse-keeper shall not verify the number of items inside the packaging in which the goods are accepted, and the confirmation of acceptance issued by Warehouse-keeper shall confirm solely the acceptance of a particular number of overall packaging of the goods, not the number of individual items of the goods inside the accepted packaging. Further, Warehouse-keeper shall neither verify on acceptance nor confirm in the confirmation of acceptance the congruence between the declared sort, type or quality of the goods and the actual contents of the packaging.

Warehouse-keeper may (but shall not be obliged to) draw Depositor's attention to any identified defects in terms of the packaging, labelling, quantity or quality of the goods at any time after the acceptance of the goods and require Depositor to rectify the situation; in such case, should Depositor fail to remove the said defects within a reasonable time limit, Warehouse-keeper may rectify the defective packaging or labelling itself at Depositor's expense. Should any defects in terms of the quantity or quality of the goods be identified, Warehouse-keeper shall issue a rectified confirmation of acceptance of the goods and usually inform Depositor about the identified deficiencies in writing.

- 3.12 Storage:** In principle, Warehouse-keeper shall store the goods in the Warehouse; however, for operational reasons, Warehouse-keeper may also store the goods in other premises fit for their storage. Warehouse-keeper shall only be obliged to store the goods separately from other goods, provided that this has been expressly agreed in the Contract, or unless the goods can be protected against confusion with the other stored things in some other manner. Unless the Contract stipulates the contrary, Warehouse-keeper shall not be obliged, during storage, to mark the goods as Depositor's goods.

- 3.13 Inspection of the Goods Stored:** Depositor may only inspect the stored goods during the operating hours of the Warehouse following previous notice given at least forty-eight (48) hours in advance. In all other cases, Warehouse-keeper shall not be obliged to enable Depositor to inspect the goods. Warehouse-keeper's employees in charge may determine a reasonable time and manner of the inspection. Provided that the inspection of the goods might result in damage to the goods, their packaging or in a risk of damage to the other goods stored or to the Warehouse, Warehouse-keeper may decide not to enable Depositor to inspect the goods or to terminate the inspection. Warehouse-keeper may also decide not to enable Depositor to inspect the goods for other important reasons, in particular due to an audit, inspection or stocktaking in progress or due to a high risk of accident or damage. Any damage caused to the goods during their inspection shall be the sole responsibility of Depositor. In return for enabling Depositor to inspect the goods stored, Warehouse-keeper may charge a fee as per the price offer.

- 3.14 Other Services During the Storage:** Under the Contract or pursuant to Depositor's written order confirmed by Warehouse-keeper, Warehouse-keeper may be obliged to provide Warehouse-keeper, in return for payment as per Warehouse-keeper's price offer, with other services in relation to the storage. Among others, the services rendered by Warehouse-keeper include:

- 3.14.1 Sorting:** Warehouse-keeper shall sort the stored goods in the manner agreed with Depositor in the Contract into smaller packaging, by their type, quality, size, or in any other manner agreed. Pursuant to its agreement with Depositor, Warehouse-keeper may also put together new

packaging of the goods from the individual packaging of different types of the goods, or sort out any unsorted packaging of the goods.

- 3.14.2 **Packing:** Warehouse-keeper shall pack the stored goods in the manner agreed with Depositor, including their palleting (i.e., putting the stored packaging of the goods together on pallets or into other similar packaging).
- 3.14.3 **Labelling:** Warehouse-keeper shall label the stored goods or their packaging in the agreed manner.
- 3.14.4 **Keeping storage records:** Warehouse-keeper shall inform Depositor about the current quantity of the stored goods through regular reports on the stock level, namely in the manner and at the intervals agreed in the Contract.
- 3.14.5 **Stocktaking:** At Depositor's request, Warehouse-keeper shall conduct physical stocktaking of the stock of the goods stored for Depositor and inform Depositor about the result of the stocktaking in the agreed form. Based on a timely submitted prior request, Depositor's representatives may be physically present during the stocktaking.

3.15 **Delivery from the Warehouse and Inspection of the Goods by Depositor:** Unless agreed otherwise by the contracting parties in the Contract, Warehouse-keeper shall deliver the goods from the Warehouse in the same packaging (unless the packaging have been changed or replaced during the storage) in which they were accepted by Warehouse-keeper. On acceptance of the goods, Depositor shall be obliged to inspect the goods and their packaging thoroughly to make sure that the goods show no apparent defects and that the packaging, quantities, identifications and other potential characteristics of the goods agree with the data stated in the confirmation of acceptance of the goods. On acceptance of the goods, Depositor shall be obliged to indicate any discovered defects in the delivery note. Warehouse-keeper's liability for defects shall be governed by the provisions of paragraph 6.4 below. Warehouse-keeper shall not be liable for any defects discovered by Depositor later or not reported immediately after their discovery, unless it was impossible to discover the defect of the goods at the moment of the handover of the goods despite a thorough inspection. The delivery of the goods from the Warehouse and the acceptance of the goods shall be confirmed by Warehouse-keeper and by Depositor in the delivery note. Warehouse-keeper shall only be responsible for the loading of the goods delivered from the Warehouse on a vehicle, provided that the vehicle has been driven up to the Warehouse in conformity with Warehouse-keeper's instructions and the goods can be loaded without excessive difficulty using Warehouse-keeper's handling equipment. Unless agreed otherwise by the contracting parties in the Contract, Warehouse-keeper shall not ensure and bear responsibility for further transportation of the goods from the Warehouse.

3.16 **Transportation of the Goods:** Warehouse-keeper may undertake in the Contract to transport the stored goods to a place determined by Depositor. Warehouse-keeper may transport the goods itself or have the goods transported by other competent parties. The transportation of the goods shall be charged as per Warehouse-keeper's price offer.

#### 4 **Other Rights and Obligations of the Contracting Parties, Representations of the Contracting Parties**

4.1 **Cooperation:** Depositor shall be obliged to provide Warehouse-keeper with the cooperation necessary for Warehouse-keeper's due performance of its obligations under the Contract. The time limit for Warehouse-keeper's performance shall be extended by the period of time for which Depositor should be in arrears with the provision of the necessary cooperation or with the performance of other obligations under the Contract, provided that they are essential to Warehouse-keeper's performance.

4.2 **Obligations of Warehouse-keeper:** In performing its obligations under the Contract, Warehouse-keeper shall be obliged to act with ordinary care and in accordance with those interests of Depositor known to Warehouse-keeper at the time of performance. In principle, Warehouse-keeper shall render the services under the Contract through its employees; however, Warehouse-keeper may also use the services of third parties. If Warehouse-keeper uses the services of third parties to perform its obligations under the Contract, it shall be liable to the same extent as if the obligations were performed by Warehouse-keeper itself. In performing its obligations under the Contract, Warehouse-keeper shall be obliged to act in accordance with the terms and conditions set out in the Contract and those stipulated by legal regulations and, within their scope, in conformity with the instructions of Depositor. Warehouse-keeper shall be obliged to draw Depositor's attention to any irregularity of its instructions, on condition that Warehouse-keeper might have identified the aforementioned, and request Depositor in time to supplement or rectify the same.

4.3 **Binding Regulations:** In performing the Contract, the contracting parties shall be obliged to observe the binding regulations of the Czech Republic that apply to the subject-matter of the Contract, particularly the regulations on the handling of individual types of the goods, traffic regulations, the applicable technical standards as well as the occupational health and safety regulations. While staying and handling the goods in the premises and on the parcels

of land belonging to Warehouse-keeper, Depositor shall be obliged to follow the rules determined for staying and conducting activities in these premises; and Depositor shall also be obliged to ensure that the same rules are followed by its customers, carriers and other parties used by Depositor to perform the Contract.

- 4.4 Notice of Failure to Perform Obligations:** Should either contracting party be unable, for serious reasons, to meet its obligations under the Contract to the agreed extend and within the agreed dates, it shall be obliged to inform the other contracting party accordingly pursuant to Article 7 below, without undue delay after it has learned about the aforementioned; otherwise, the contracting party shall be liable for damage incurred as a result of its failure to meet this obligation.
- 4.5 Authorization:** Within the scope of its performance of the Contract, Warehouse-keeper may make legal acts and act on behalf of Depositor in cases when this is necessary in terms of the due provision of the services under the Contract, which Depositor hereby acknowledges and grants such an authorization to Warehouse-keeper.
- 4.6 Representations and Obligations of Depositor with Respect to the Nature of the Goods:** Depositor represents that it has inspected the storage spaces and transportation equipment of Warehouse-keeper, that it has acquainted itself in detail with the condition and technical parameters thereof, that it has no objections thereto and considers them appropriate for the storage of the goods and for the provision of the services under the Contract. Should Depositor's goods require storage under any specific climatic or light conditions, or should the handling of the goods require any special treatment, caution or observance of any specific procedures, Depositor shall be obliged, in written form, to notify Warehouse-keeper accordingly in advance. The obligation pursuant to the previous sentence shall be deemed performed, provided that the warnings about the nature of the goods and the rules applicable to their handling are properly and clearly indicated on the packaging of the goods.
- 4.7 Hazardous Goods:** Should such goods be stored under the Contract in relation to which a special regime of handling and storage is prescribed or recommended pursuant to the aforementioned generally binding regulations, particularly chemical substances and preparations classified as inflammable, harmful to health, caustic, irritating, sensitizing, explosive, oxidizing, extremely inflammable, highly inflammable, highly toxic, toxic, carcinogenic, mutagenic, toxic to reproduction or hazardous to the environment or other similar hazardous substances (hereinafter the "**Hazardous Goods**"), it shall be necessary to explicitly agree the storage of such Hazardous Goods in the Contract. Unless the storage of the Hazardous Goods has been explicitly agreed in the Contract, their storage shall only be possible upon Depositor's previous written notice to Warehouse-keeper, in which Depositor shall state that it wishes to have Hazardous Goods stored and simultaneously specify such goods in an exact and exhaustive manner in terms of their classification and quantity, indicating the estimated period of storage, and immediately supplement or specify this information further in accordance with Warehouse-keeper's requirements. Subsequently, Warehouse-keeper shall assess whether the storage of such Hazardous Goods shall be permissible under certain conditions and then inform Depositor whether or, as the case may be, under what conditions the storage of the Hazardous Goods shall be permissible.

## **5 Storage Fee and Payment Terms**

- 5.1 Storage Fee:** Warehouse-keeper is entitled to consideration –storage fee for storing the goods under the Contract and in return for this service Depositor undertakes to pay it. Depositor pays a storage fee in the amount and manner agreed in the Contract as of the day when Warehouse-keeper has accepted the thing for storage. Should the amount of the storage fee not be agreed by the contracting parties differently, Depositor shall pay the storage fee in the amount as per Warehouse-keeper's price offer.

The storage fee covers all Warehouse-keeper's current and predictable costs connected with storing, including acceptance of the goods for storing and delivery from the Warehouse provided that the place of acceptance or delivery of the goods from the Warehouse agreed in the Contract is the Warehouse. The storage fee does not cover increased costs of Warehouse-keeper for multiple acceptance and delivery from the Warehouse (i.e. costs for more than one acceptance and delivery from the Warehouse; e.g. while delivering the goods from the Warehouse prior to the expiry of the agreed period of storage and re-acceptance for storing prior to the end of such period), acceptance of the goods outside the Warehouse, supply of the goods after delivery from the Warehouse to a place where the goods will be accepted outside the Warehouse, prices of other services connected with storing and other cash expenses related therewith, costs connected with removal of defects in goods, their packaging and labelling, costs of insurance (see par. 6.1 below) and so forth.

If Depositor fails to collect the thing in time, Warehouse-keeper shall also be entitled to the storage fee for the period after the termination of the Contract until the time when the thing is taken over by Depositor. Warehouse-keeper is entitled to charge also an additional storage fee for the time for which Depositor is in default in collecting the stored goods. The additional storage fee shall be in the amount as per Warehouse-keeper's price offer, if the additional storage fee is not specifically set in the Warehouse-keeper's price offer, then the additional storage shall amount to 25% of the agreed storage fee.

- 5.2 Storage Fee Due Date:** Provided that storage is agreed for a definite period of less than three (3) months, the storage fee shall be payable in advance upon acceptance of the goods by Warehouse-keeper. Provided that storage is agreed for a period longer than three (3) months or for an indefinite period, Depositor shall upon the acceptance of the goods pay Warehouse-keeper a cash security equal to at least the amount of the storage fee for one (1) month of storing, and the storage fee shall be payable monthly in arrears. Warehouse-keeper shall return the security paid by Depositor to Warehouse-keeper upon the collection of the stored goods and after all Depositor's obligations under the Contract have been paid. If the storage has been agreed for a definite period and Depositor has collected the goods prior to its expiration, Warehouse-keeper is entitled to the storage fee for the entire agreed period.
- 5.3 Consideration for Other Services:** Regarding services provided by Warehouse-keeper to Depositor in connection with storing, which services are not covered by the storage fee, Warehouse-keeper is entitled to consideration as per Warehouse-keeper's price offer. Should an amount of consideration for a certain service be not stipulated in the Contract or Warehouse-keeper's price offer, Warehouse-keeper shall be entitled to consideration in the amount it stipulates, such amount being customary at the time of provision of the service, taking into account prices of other Warehouse-keeper's services, nature, duration and the type of service. Besides the consideration for the provided services, Warehouse-keeper is also entitled to reimbursement of cash expenses exerted by it purposefully while providing the services.
- 5.4 Warehouse-keeper's Price Offer:** Prices of services provided by Warehouse-keeper shall be stipulated by Warehouse-keeper in writing in the price offer submitted to Depositor. Generally, the price offer shall be attached to the Contract as Attachment thereof. Should Warehouse-keeper make more price offers and none of them is attached to the Contract, the binding shall be the price offer that was submitted to Depositor by Warehouse-keeper as the last one prior to the conclusion of the Contract. Unless explicitly agreed otherwise in the Contract, Warehouse-keeper is entitled to update unilaterally the price offer even after the conclusion of the Contract in order to take into account the increase of Warehouse-keeper's input costs. Warehouse-keeper may carry out the update of the price offer always earliest 12 months after last update of the price offer or, in the case of increase of Warehouse-keeper's input costs by more than 5%, prior to the expiration of this time limit, too. Warehouse-keeper shall deliver a written proposal of a new price offer to Depositor no less than 30 days prior to the stipulated effective date of such new price offer. If Depositor fails to notify Warehouse-keeper in writing of its refusal of a new price offer prior to the new price offer effective date, such new price offer shall become binding and replace the previous one. If within the said time limit Depositor notifies Warehouse-keeper of its refusal of the new price offer, the Contract shall cease to exist at the end of a calendar month following the month in which the notification was delivered to Warehouse-keeper.
- Based on Depositor's interest, Warehouse-keeper may at any time during the validity of the Contract submit a partial price offer to Depositor concerning the provision of certain services or performances in connection with storage, which services have not yet been provided under the Contract by Warehouse-keeper to Depositor. Upon acceptance by Depositor of this partial price offer, this partial price offer shall be deemed to be the supplement of the Warehouse-keeper's total binding price offer valid for the performance provided under the Contract.
- 5.5 Invoicing:** Depositor shall pay the amounts payable in favour of Warehouse-keeper under the Contract on the basis of invoices (tax documents) of Warehouse-keeper. The invoices shall generally contain the breakdown of calculation of the invoiced amount. The invoiced amount shall be paid by Depositor within the maturity period. Depositor is entitled to return an invoice only in case that it does not meet prerequisites of a tax document or in case there are other essential errors on the invoice. Depositor must advise Warehouse-keeper of its objections to the invoice upon its delivery or, if the invoice was not delivered in person, within three business days following its delivery. Later objections will not be taken into consideration. Warehouse-keeper shall either correct the returned invoice according to Depositor's objections (provided that Warehouse-keeper finds these objections justified) or shall confirm correctness of the invoice. Depositor shall pay the corrected or confirmed, as the case may be, invoice within the maturity period according to invoice data specified on the invoice. Invoices due date has been agreed by contracting parties and shall be ten (10) calendar days after the invoice date.
- 5.6 Default Interest:** In the case of late payment of amounts payable in favour of Warehouse-keeper Depositor shall pay Warehouse-keeper default interest of 0.1% on the amount due per day.
- 5.7 Lien and Right of Retention of Warehouse-keeper:** In order to secure its claims arising from the Contract, Warehouse-keeper has a statutory lien on the goods in the Warehouse in accordance with Section 535 of the Commercial Code. Warehouse-keeper's lien shall take precedence over other liens. In accordance with Section 175 et seq. of the Civil Code, Warehouse-keeper may also retain the goods for the purpose of securing its receivables due to it from Depositor until the receivables due are paid by Depositor in full. Without delay, Warehouse-keeper is obliged to inform Depositor in writing of its retention of the goods for the purpose of securing its receivables and of reasons for retention of the goods. A right of retention extinguishes when the secured receivables are fully settled, or when the retained thing ceases to exist, or when it is handed over to Depositor.

## 6 Insurance, Damages

- 6.1 **Depositor's Insurance:** Depositor is obliged to take out sufficient insurance for the goods, pallets, boxes, and other multiple use packaging against all usual risks, and to maintain this insurance for the whole duration of the Contract. At the Warehouse-keeper's request, Depositor shall prove the existence of the required insurance policy. If Depositor hands Hazardous Goods over for storing, it shall be obliged to prove to Warehouse-keeper that it has taken out liability insurance for damage caused by Hazardous Goods. Contracting parties may agree in the Contract that it is the obligation of Warehouse-keeper to take out insurance for the goods. In such a case Warehouse-keeper is entitled to reimbursement for insurance expenses.
- 6.2 **Warehouse-keeper's Insurance:** Warehouse-keeper has an insurance policy taken out for the amount of at least USD 1,000,000 (in words: one million USD) for damage which might arise while storing and handling the goods, which fact is acknowledged by Depositor. At the request of Depositor, Warehouse-keeper may increase the insured amount or extend the insurance; however, in such case Warehouse-keeper is entitled to demand any increased costs of insurance from Depositor. The same shall apply if an insurance premium is increased to Warehouse-keeper as a consequence of storing the Hazardous Goods.
- 6.3 **Cooperation:** Provided that an insurance claim occurs, the contracting parties undertake to provide each other with all necessary documents and requisite cooperation in order to investigate and settle the insurance claim, including without limitation they will satisfy the requirements of an insurance company and third parties participating in the settlement of the insurance claim (e.g. Police of the Czech Republic, Fire Rescue Service, certified experts, etc.). If the insurance company refuses to pay the insurance benefit for reasons of non-provision of coordination, liable for such caused damage shall be a party that did not provide the required cooperation.
- 6.4 **Liability for Damage of Warehouse-keeper:** Warehouse-keeper shall be liable for damage to the stored goods from the time of their acceptance until their delivery from the Warehouse. Warehouse-keeper is not liable for damage to the stored goods if such damage was caused (i) by Depositor or by the owner of the goods or by persons used by them for the implementation of the Contract, (ii) by a defect or the natural characteristics of the stored goods, (iii) by their packaging, or (iv) Warehouse-keeper could not avert the damage despite the exercise of all due care which it might have been reasonably requested, taking into account the information about the goods provided to Warehouse-keeper by Depositor. Regardless of the above-mentioned, Warehouse-keeper is liable for damage caused to Depositor by a deliberate breach of its obligations set forth in the Contract, or by gross negligence.
- 6.5 **Predictable Damage.** The amount of predictable damage in case of breach of Warehouse-keeper's obligations is stipulated, taking into account all facts known to Contracting parties at the time of the conclusion of the Contract. Such amount corresponds to a total amount of the storage fee charged under the Contract; this amount is at the same time stipulated as a maximum aggregate amount of indemnification if the obligation to pay damages arises on the part of Warehouse-keeper for one or more legal and real reasons. The Contract can regulate the amount of predictable damage otherwise.
- 6.6 **Liability for Damage of Depositor:** Depositor is liable to Warehouse-keeper for damage caused by breach of its obligations in accordance with Section 373 et seq. of the Commercial Code. Depositor undertakes to compensate Warehouse-keeper for damage and unavoidable expenses incurred by Warehouse-keeper, or for expenses exerted by Warehouse-keeper due to the provision of performance under the Contract. This does not apply to expenses explicitly covered by the remuneration of Warehouse-keeper agreed in the Contract and to damage and expenses of Warehouse-keeper caused due to gross negligence or deliberate breach of obligations on the part of Warehouse-keeper.

## 7 Communication, Acting On Behalf of Contracting Parties

- 7.1 **Formal Communication:** Any notice or other formal communication between the parties required to be given under the Contract, shall be in writing and shall be delivered or sent to the other party personally, or sent by courier or by post at the addresses provided below. Conditions governing delivery of a notice under this provision shall be deemed to have been met if delivery is confirmed by an addressee. This shall also apply to delivery of a notice by fax or by electronic mail at the below-specified contacts.

### **Warehouse-keeper:**

Contact details shall apply as set out at the beginning of these General Terms and Conditions, unless other contact details have been specified by Warehouse-keeper in the Contract or communicated by notice in writing to Depositor.

### **Depositor:**

Contact details shall apply as set out in the Contract or communicated in writing to Warehouse-keeper to its above-mentioned address. If Depositor's contact details are not communicated to Warehouse-keeper, Warehouse-keeper shall deliver notices and other communications to Depositor at the address specified in public registers or at another Depositor's address known to Warehouse-keeper.

7.2 When sent duly at the address specified in the previous paragraph, any notice or other communication shall be deemed to have been duly received - unless a real day of delivery is proven,

7.2.1 on the first day following the handover of notice or communication to a courier service; or

7.2.2 on the third day after posting it.

7.3 **Notices:** Any other communication under this Contract can also be performed electronically, and subject to approval of both contracting parties, also telephonically, except in the cases specified by the Contract. Considering the performance of contractual obligations, contact persons named in the Contract shall act on behalf of the contracting parties. Unless such persons are named in the Contract, statutory organs of the contracting parties will act on their behalf, or authorized persons, as the case may be, holding the relevant power of attorney or another valid authorization.

## 8 Validity of the Contract, Breach of the Contract

8.1 **Contract Validity:** The Contract may be concluded for a definite period or without stating the validity period. Contract concluded for a definite period terminates upon expiry of time for which the Contract was concluded, unless its validity is terminated earlier by agreement of parties or by withdrawal of any of the contracting parties. The Contract for an indefinite period is terminated when all stored goods are delivered from the Warehouse, by agreement of the contracting parties, by notice of termination of any of the contracting parties, or by withdrawal. Warehouse-keeper's right to storage fee or other amounts payable under the Contract shall not be affected by termination of the Contract for any reason.

8.2 **Withdrawal of Depositor:** Depositor may withdraw from the Contract by a written registered letter if Warehouse-keeper, for reasons on its part, fails to perform duly its obligations under the Contract and if Warehouse-keeper fails to remedy such breach within a reasonable time limit not shorter than 15 days following delivery of an advance written notice of the breach, stating specific shortages, mistakes and requests.

8.3 **Withdrawal of Warehouse-keeper:** Warehouse-keeper may withdraw from the Contract by a written registered letter if Depositor is in arrears with payment of the invoice for more than 15 days or if Depositor, for reasons on its part, fails to perform its obligations under the Contract and if Depositor fails to remedy such breach within a reasonable time limit not shorter than 15 days following delivery of an advance written notice of the breach, stating specific shortages, mistakes and requests.

Warehouse-keeper may withdraw from the Contract with immediate effect if owing to the nature of the stored goods, there is a risk of substantial damage to the Depositor's goods, or of the occurrence of damage to other goods stored by Warehouse-keeper, or damage to the Warehouse premises and the occurrence of such damage cannot be effectively averted by means that are appropriate to the value of the goods in question, to the possibilities of Warehouse-keeper and the agreed amount of the storage fee. In the case of withdrawal under this paragraph, Warehouse-keeper is entitled to deliver the goods from the Warehouse at the time when the notice of withdrawal has been sent, and to deposit the goods in the corresponding operational premises or sheltering at Depositor's expenses.

8.4 **Effective Date of Withdrawal:** Withdrawal from the Contract shall take effect on the 15<sup>th</sup> day of delivery of a written notice of withdrawal to the other contracting party with the exception of withdrawal of Warehouse-keeper in case Depositor is in arrears with payment of receivables of Warehouse-keeper or in the case of withdrawal of Warehouse-keeper under the second paragraph of item 8.3 above which take effect on the day of delivery of the notice of withdrawal to Depositor.

8.5 **Notice of Termination:** Contracting parties may terminate the Contract for an indefinite period in writing by registered letter without stating a reason, however, earliest always after expiry of three (3) months following the conclusion of the Contract. The notice period shall be one (1) month and shall commence to run on delivery of the notice of termination to the other contracting party and end on the first business day following the day of expiry of the aforesaid notice period.

8.6 **Delivery of the Goods from Warehouse Upon the Contract Termination:** On the termination of the Contract at the latest, Depositor is obliged to take over all the stored goods from Warehouse-keeper. Warehouse-keeper may condition the release of goods by payment of all its receivables against Depositor. Should Depositor fail to collect the stored goods on the termination of the Contract, Warehouse-keeper is entitled to the storage fee and surcharge for storage until the day when the goods are collected by Depositor or to destruct the goods according to the following item.

8.7 **Destruction of the Goods:** If Depositor does not collect the stored goods within one (1) month following the termination of the Contract, Warehouse-keeper may sell them. If Warehouse-keeper knows the address at which Depositor receives mail and if a thing of a greater value is involved, Warehouse-keeper shall inform Depositor in advance about the intended sale and grant Depositor an additional time limit of one week to collect the goods. Provided that the sale of the uncollected goods takes part, Warehouse-keeper will pay out the proceeds of sale to

Depositor after deduction of its receivables against Depositor, including costs related to sale. Depositor must enforce the right to the proceeds of sale with Warehouse-keeper. Should goods be involved of negligible value, unsalable, perishable goods or goods delivered from the Warehouse under item 8.3 above, Warehouse-keeper may destruct them at Depositor's expenses in accordance with waste legislation unless Depositor collects them within seven (7) business days after the termination of the Contract.

## 9 Warehouse Warrant

- 9.1 Warehouse warrant is issued by Warehouse-keeper at the request of Depositor and its issuance is subject to a fee according the price offer of Warehouse-keeper. Warehouse-keeper may refuse to issue the warehouse warrant to Depositor without stating a reason.
- 9.2 Warehouse warrant may be made out to bearer or as a registered Warehouse warrant. If it is made out to bearer, Warehouse-keeper shall hand over the goods to the person who presents it. If it is made out as a registered warehouse warrant, Warehouse-keeper shall hand over the goods to the person whose name is stated in the warehouse warrant. Such warrant may be assigned by the entitled person to other persons by endorsement, unless endorsement is excluded therein. The endorsement is subject to regulations governing bills of exchange.
- 9.3 The person who, on the basis of a Warehouse warrant is entitled to demand the handing over of a thing, has the status of Depositor, and at Warehouse-keeper's request he confirms, by signing the Warehouse warrant, that the store thing has been taken over by him, however this person is not obliged to pay a storage fee. If the storage fee is not paid, warehouse-keeper is not obligated to hand out the goods if it exercises its right to retain the goods deposited in the warehouse.
- 9.4 Warehouse warrants must contain at least the following
- 9.4.1 Warehouse-keeper's trade name or designation and seat, in the case of a legal entity, or the full name and place of business or residential address, in the case of an individual,
  - 9.4.2 Depositor's trade name or designation and seat, in the case of a legal entity, or the full name and place of business or residential address, in the case of an individual,
  - 9.4.3 Specification and quantity, weight or volume of stored goods,
  - 9.4.4 Information whether the warehouse-warrant was issued to bearer or to order, stating the name or trade name or designation of the person to whose order it was issued,
  - 9.4.5 Designation of the place where the goods are stored,
  - 9.4.6 Period for which the goods are stored, and
  - 9.4.7 Place and day of issue of the warehouse warrant and the signature of warehouse-keeper.
- 9.5 Should a Warehouse warrant not include the name of the person to whose order it was issued, it shall be regarded as issued to order of Depositor.

## 10 Other Provisions

- 10.1 **Confidentiality:** Contracting parties shall maintain confidential the information they have learned about or have been acquainted with by the other contracting party during the performance of the Contract and which information they may reasonably consider as the trade secrets of the other contracting party or its customers in accordance with Section 17 through 20 of the Commercial Code. This provision shall not apply provided that a contracting party is in writing discharged of this obligation by the entitled contracting party and/or by a person to whom the information relates, or provided that this discharge is arising from the laws. Confidentiality obligation shall also continue after the termination of the Contract.
- 10.2 **Dispute Resolution:** The contracting parties undertake to resolve any possible discrepancies, disagreements and disputes mainly in an amicable way through mutual negotiations. Any dispute arising out of or relating to the Contract, not resolved amicably, shall be finally resolved by the Arbitration Court Attached to the Economic Chamber of the Czech Republic and the Agrarian Chamber of the Czech Republic under its Rules and Regulations by three arbitrators.
- 10.3 **Applicable Law:** The Contracting parties have agreed that issues not expressly regulated by this Contract shall be interpreted and construed in accordance with the laws of the Czech Republic, including without limitation Act No. 513/1991 Coll., Commercial Code.
- 10.4 **Language:** This General Terms and Conditions are made in Czech language, English translation in for general information only.