

GUARANTEE AND COMPLAINTS TERMS AND CONDITIONS FOR THE BASIC MODEL (B2B)

No. EN_ZARP No. 01042019_01

Effective from: 1.4.2019

1. SUBJECT-MATTER OF THE GC TERMS AND CONDITIONS

- 1.1. These GC Terms and Conditions regulate the rights and obligations of the Buyer arising from defective performance provided by the Seller and from the Seller's liability for harm caused during the sales of Goods to businesses that typically sell the Goods to other businesses or end customers. The actual regulation of the purchase is governed by separate Terms and Conditions or other agreed provisions of a Purchase Agreement between the Seller and the Buyer.

2. DEFINITION OF TERMS

- 2.1. Capitalized terms in these GC Terms and Conditions have the following meanings:

"Online Store"	means an online store available at eshop.jablotron.cz .
"Purchase Agreement"	means a purchase agreement regulated by the Terms and Conditions and entered into in the user interface of the Online Store, or an agreement entered into between the Seller and the Buyer other than through the Online Store that governs the purchase of Goods for resale by the Buyer;
"Buyer"	means a person who enters into a Purchase Agreement with the Seller;
"Civil Code"	means Act No. 89/2012 Coll., the Civil Code, as amended;
"Terms and Conditions"	means the Terms and Conditions of JABLOTRON ALARMS a.s. for the Purchase of Goods in the Online Store for Installation and Business Companies (B2B);
"GC Terms and Conditions"	means these Guarantee and Complaints Terms and Conditions for the basic model (B2B);
"Seller"	means JABLOTRON ALARMS a.s., reg. No.: 286 68 715, registered office Pod Skalkou 4567/33, 466 01 Jablonec nad Nisou, Czech Republic, registered in the Commercial Register administered by the Regional Court in Ústí nad Labem, section B, file No. 1957;
"Complaint"	means exercising of the Buyer's right arising from defective performance or from quality guarantee;
"RMA tool"	means a part of the Online Store designated for filing Complaints;
"Extended Support Service"	means an obligation of the Seller to remove defects of the Goods after expiry of the guarantee under particularly favourable conditions stipulated in Art. 6;

“Goods”

means any product that is in the Seller's offer in the Online Store and that is the subject of purchase in a Purchase Agreement;

3. RIGHTS OF THE BUYER ARISING FROM DEFECTIVE PERFORMANCE

- 3.1. Notification of a defect when filing a Complaint. The Buyer is to notify defects of Goods using the RMA tool.
- 3.2. Knowledge of the defect. The Buyer does not have any rights arising from defective performance where the defect is one that the Buyer must have known, having exercised customary attention, upon entering into the agreement.
- 3.3. Inspection of Goods by the Buyer. The Buyer will inspect the Goods as soon as possible after the passage of the risk of damage to the Goods, and will check the properties and quantity and the Goods.
- 3.4. Seller's Instructions. In the use, storage and handling of Goods, the Buyer is obliged to proceed in accordance with the instructions provided by the Seller, especially with the operating manual and other documents governing the handling of the Goods.
- 3.5. Assignment of a right. The Buyer is entitled to assign rights arising from defective performance to another person only with express consent of the Seller. The Buyer may not validly assign such rights without such consent.
- 3.6. Battery. To the extent allowed by the governing law, the Buyer's rights arising from defective performance in the event that a battery is supplied with Goods or that a battery is part of Goods only apply to the Goods and not to the battery, whether it has been supplied with the Goods or is a part of the Goods. Handling of batteries is subject to special rules, annexed to the Terms and Conditions.
- 3.7. Claims in the event of a material and non-material breach of the Purchase Agreement. In the event of a material breach of the Purchase Agreement, the Buyer is primarily entitled to having the defect removed by supply of new defect-free Goods or supply of missing Goods. If it is not possible to satisfy a claim referred to in the previous sentence, the Buyer is entitled to having a defect removed through repair of the Goods or a reasonable discount on the purchase price or to withdraw from the Purchase Agreement. These claims may only be put forward successively in the above order. In the event of a non-material breach of the Purchase Agreement, the Buyer has the right to have a defect removed or to a reasonable discount on the purchase price. Where a claim is put forward, whether in the event of a material or a non-material breach of the Purchase Agreement but the claim cannot be satisfied, the Seller will inform the Buyer without undue delay. At the same time, the Seller will inform the Buyer which kind of claim satisfaction the Buyer can choose.
- 3.8. Costs. Where a right arising from defective performance is exercised, each party to the Purchase Agreement is responsible for its associated costs.
- 3.9. Burden of proof. The risk of damage to the Goods passes to the Buyer together with the acquisition of the ownership title to the Goods. A defect the Goods have upon passage of the risk of damage to the Buyer, although not manifested until later, establishes a right of the Buyer arising from defective performance. This fact is to be proven by the Buyer.
- 3.10. Retainage. Any ongoing removal of a defect does not affect the Buyer's obligation to pay the purchase price in accordance with the Purchase Agreement.

4. LIABILITY FOR HARM

- 4.1. Limitation of liability. Should any liability of the Seller for any harm, including any obligation for its compensation, arise based on the Purchase Agreement or in

connection with the performance of the Purchase Agreement, the Seller is obliged to compensate the harm only up to the amount of consideration received from the Buyer under the Purchase Agreement.

- 4.2. Exclusions. Compensation for harm in the event of loss of profits or loss of data is excluded. Moreover, any recourse claims of the Buyer relating to compensation of harm, including cases where the Goods are transferred to another person, are excluded.
- 4.3. Conditions of liability. Should the Seller be obliged to compensate harm, the compensation will only be limited to harm foreseeable at the time of entering into the Purchase Agreement that resulted from a deliberate breach of duty on the part of the Seller.
- 4.4. Technical support. Any communication with employees of the Seller or contractual partners designated by the Seller is of indicative and non-binding nature. That communication is based on the current state of knowledge and experience related to the Goods offered, and is provided free of charge, unless otherwise agreed. Any liability for harm resulting from any form of communication with the Seller is excluded.
- 4.5. Presumption of negligence. The provision of the Civil Code on the presumption of negligence (section 2911 of the Civil Code) does not apply.
- 4.6. Obligation to notify. The Buyer is obliged to inform the Seller, without undue delay, of any facts that could give rise to the Seller's liability for harm or could influence the possible amount of damages to be provided by the Seller. Should the Buyer fail to provide such a notification referred to in the previous sentence and should any harm occur, the Buyer will not be entitled for compensation of harm that occurred due to the Buyer's failure to notify the Seller if the Seller was otherwise obliged to provide compensation.
- 4.7. Joint and several liability. In cases where the Seller and the Buyer were jointly and severally liable for damage caused by a product defect and the Buyer had a recourse claim vis-à-vis the Seller, the amount of such a claim would be limited by the amount of indemnification provided from the Seller's insurance, however, not exceeding 10,000 CZK (*ten thousand Czech crowns*).
- 4.8. Seller's Instructions. The Seller will not be liable for any harm arisen due to any failure to comply with the Seller's instructions, especially with regard to the storage or handling of the Goods.
- 4.9. Mandatory legal provisions. The provisions of the GC Terms and Conditions limiting the liability for harm will not apply in the event they are excluded by mandatory legal provisions. Furthermore, such provisions will not apply in the event of harm caused to the natural rights of a person or caused intentionally or through gross negligence.

5. QUALITY GUARANTEE

- 5.1. The Seller provides a guarantee of the quality of the Goods supplied to the Buyer under the conditions stipulated by these GC Terms and Conditions.
- 5.2. Guarantee period. The Seller undertakes that the Goods will retain their usual properties for 24 (*twenty-four*) months of the receipt of the Goods by the Buyer. The guarantee period for storage batteries, however, is only 12 (*twelve*) months. Quality guarantee of short-life Goods or components or parts is provided by the Seller only for a period of 6 (*six*) months commencing on the day of supply of the Goods to the Buyer.
- 5.3. Exclusions. Quality guarantee does not apply, in particular, to:
 - 5.3.1. consumables and batteries that are supplied with the Goods or are a part of the Goods,

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- 5.3.2. third-party submodules (e.g. a SIM card of a GSM operator),
 - 5.3.3. cases of use of the Goods (including installation) contrary to the supplied documentation, especially the operating manual, or contrary to legal regulations (the Buyer undertakes to allow the Seller, upon the Seller's request, to verify compliance with the installation conditions directly in the place of installation, otherwise the Seller is entitled to refuse the complaint about the defect),
 - 5.3.4. deliberate damage to the Goods,
 - 5.3.5. defects caused by Force Majeure,
 - 5.3.6. wear and tear of the Goods caused by its normal use,
 - 5.3.7. Goods sold as worn and used,
 - 5.3.8. defects of the Goods known to the Buyer at the time of entering into the Purchase Agreement,
 - 5.3.9. defects of the Goods caused by items used together with the Goods.
- 5.4. Contractual penalty. Should the Buyer forward the Goods to the Seller in claiming the quality guarantee, the Buyer is obliged to send the Goods without a battery, unless professional intervention is necessary to remove the battery or delivery of the Goods including the battery had been explicitly requested by the Seller or the Buyer reasonably believes that the battery could be the cause of the defect. In the event of repeated violation of this obligation, the Seller may charge the Buyer with a handling fee in the form of a contractual penalty of 10 EUR (*ten EUR*) as costs incurred by the Seller as a result of having to handle the battery for each battery received contrary to this provision.
- 5.5. Costs. Where a right arising from the quality guarantee is exercised, each party to the Purchase Agreement is responsible for its associated costs. Only in the event a claim of the Buyer resulting from the quality guarantee is recognized by the Seller, the Buyer is entitled to claim from the Seller compensation of reasonably incurred costs associated with all recognized Complaints in the calendar year, however, not exceeding one tenth of the consideration provided by the Buyer to the Seller in that calendar year. Reasonably incurred expenses referred to in this provision will be settled based on a request of the Buyer always after the end of the calendar year, until the end of the closest calendar quarter.
- 5.6. Assistance. The Buyer is obliged to provide the Seller with all necessary assistance in the Complaint process, in particular, to provide the Seller with all relevant supporting documents that will rule out incorrect installation, setting, influence of the surrounding environment, faulty use or faulty control as well as to send the Goods the Complaint relates to unless the Seller informs the Buyer, after having received the Complaint, that the Seller does not insist on having the Goods sent to the Seller.
- 5.7. Procedure. Where a right arising from the quality guarantee is claimed, the Seller will decide on the eligibility of the complaint within 30 (*thirty*) working days from the date of delivery of the Goods under complaint to the Seller, in complex cases within 60 (*sixty*) working days. This time limit does not include any time (reasonable with regard to the kind of Goods) necessary for expert assessment of the defect. The process of defect removal will be completed without undue delay after the delivery of faulty Goods to the Seller.
- 5.8. Putting forward a claim. The Buyer is obliged to put forward their claim arising from quality guarantee using the RMA tool. If the claim is recognized, the faulty Goods will be replaced or repaired as determined by the Seller.
- 5.9. Loss of entitlement. The entitlement to claim quality guarantee terminates if the Buyer fails to provide necessary assistance.

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- 5.10. Course of the guarantee period. Claiming a right under quality guarantee, including the time necessary for defect removal, does not suspend or interrupt the guarantee period.
- 5.11. Assignment of a right. The Buyer is entitled to assign rights under quality guarantee to another person only with express consent of the Seller. The Buyer may not validly assign such rights without such consent.

6. EXTENDED SUPPORT SERVICE

- 6.1. Extended Support Service. The Seller provides Extended Support Service after the expiry of the guarantee period under Art. 5 of the GC Terms and Conditions, under the following conditions:
- 6.1.1. Any defect of the Goods (that would be subject to quality guarantee in the guarantee period) will be removed through replacement, repair or otherwise as determined by the Seller, in a location specified by the Seller.
- 6.1.2. The Buyer is not entitled to reimbursement of any costs incurred by the Buyer in connection with the Buyer's request for the provision of Extended Support Service and its provision.
- 6.1.3. Provision of Extended Support Service is possible only in cases where an installation report proves to the Seller (i) the date of first installation of the Goods, (ii) that the Goods were always installed in accordance with the supplied documentation, and (iii) that the Goods were installed by a person who was, at the time of installation, a holder of a valid certificate by the Seller that the person had been acquainted with the technical parameters and the manner of use of the Goods according to the technical documentation and manufacturer's recommendations.
- 6.1.4. If the Buyer does not have available the documents referred to in Art. 6.1.3 of the GC Terms and Conditions, the Buyer can prove the date of first installation of the Goods, which can also mean, in relation to peripherals being added, the first connection of the peripheral to an already installed system, by a log of events from the exchange of the system or in a similar conclusive manner.
- 6.1.5. Assistance. The Buyer is obliged to provide the Seller with all necessary assistance in connection with the Buyer's request for the provision of Extended Support Service, in particular, to provide the Seller with all relevant supporting documents that will rule out incorrect installation, setting, influence of the surrounding environment, faulty use or faulty control as well as to send the Goods the request relates to unless the Seller informs the Buyer, after having received the request, that the Seller does not insist on having the Goods sent to the Seller.
- 6.2. Period of provision of Extended Support Service. Unless provide otherwise in the Purchase Agreement or any other agreement between the Seller and the Buyer, the specific duration of Extended Support Service is as follows:

For Buyers with registered office or place of business in the Czech Republic and Slovak Republic

For house alarms

3 years following the expiry of the guarantee period under Art. 5.2 of the GC Terms and Conditions, or 5 years if the alarm is registered with JABLOTRON SECURITY a.s. with regard to utilization of any security

Protection Services as defined in the General Terms and Conditions of JABLOTRON SECURITY a.s.

For other products

3 years following the expiry of the guarantee period under Art. 5.2 of the GC Terms and Conditions.

For Buyers with registered office or place of business other than in the Czech Republic and Slovak Republic

For products using the SDC service (before the occurrence of the fault on the product)

5 years following the expiry of the guarantee period under Art. 5.2 of the GC Terms and Conditions.

For other products

3 years following the expiry of the guarantee period under Art. 5.2 of the GC Terms and Conditions.

- 6.3. The conditions and the time of provision of Extended Support Service may be unilaterally changed by the Seller at any time, including complete termination of provision of the service.
- 6.4. The Seller does not provide any Extended Support Service for storage batteries.

7. POST-GUARANTEE SERVICE SUPPORT

- 7.1. After the expiry of the period of Extended Support Service or in the event that conditions for the use of Extended Support Service are not met as well as after the expiry of the quality guarantee, the Seller provides post-guarantee servicing of Goods for payment. The amount of the payment for the service and the estimated time of its duration or, where applicable, impossibility to perform the service, will be communicated to the Buyer in advance after checking the condition of the Goods.
- 7.2. In connection with the handling of requirements for the provision of post-guarantee service support, the Seller will charge the Buyer in each case a handling fee of 10 EUR (*ten EUR*) as compensation for the costs associated with the detection of the defect of the Goods.
- 7.3. Where Goods are delivered to the Seller for a servicing intervention without the Buyer and the Seller having negotiated the amount of payment for the intervention in advance or without the Seller having instructed the Buyer to send the Goods, the Seller will return the Goods to the Buyer at the Buyer's cost.
- 7.4. The Seller does not provide any post-guarantee service support for storage batteries.

8. FINAL AND JOINT PROVISIONS

- 8.1. The Buyer is obliged to deliver the Goods under complaint or Goods for which the Buyer is requesting a servicing intervention under Art. 5, 6 or 7 of the GC Terms and Conditions in a condition allowing the intervention (the Goods must not be dirty, incomplete, etc.). Otherwise the Seller is entitled to charge the Buyer with a handling fee for placing the Goods in a serviceable condition of 10 EUR (*ten EUR*).

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- 8.2. Limitation of a claim. The limitation period for claims arising based on these GC Terms and Conditions, especially claims arising from liability for defects or liability for harm, is 1 (*one*) year from the date the claim could have been put forward for the first time. This provision does not apply in case it is in conflict with mandatory norms of the governing law. If this occurred, the shortest permissible period of limitation provided for by the governing law will apply.
- 8.3. Adhesion contracts. The provision of the Civil Code on adhesion contracts (sections 1799 and 1800 of the Civil Code) is excluded in the case of Businesses.
- 8.4. Exclusion of acceptance of an offer with a variance. Acceptance of an offer with a variance (section 1740(3) of the Civil Code) is excluded.
- 8.5. Effect. These GC Terms and Conditions take effect on the date stipulated at the beginning. These GC Terms and Conditions take effect vis-à-vis the Buyer upon conclusion of the Purchase Agreement, where these GC Terms and Conditions form an integral part of the Purchase Agreement.
- 8.6. Severability. Should any provision of the GC Terms and Conditions become invalid or unenforceable or should be found as such by a competent court or another body with the authority to issue binding decisions or findings, such a fact will not affect the validity or enforceability of the remaining provisions of the GC Terms and Conditions. If possible, such a provision will be replaced with a provision the meaning of which comes as close as possible to that of the invalid or unenforceable provision.
- 8.7. Governing law. Due to the fact that the registered office of the Seller is in the Czech Republic, the GC Terms and Conditions are governed and should be construed in accordance with the laws of the Czech Republic. In the event of a trial with the Seller, it is agreed that the court in the district of which the Seller has its registered office will have exclusive local jurisdiction.
- 8.8. Failure to exercise a right. Seller's failure to exercise or enforce or insist on any of its rights or legal means for protection of rights it has under the GC Terms and Conditions or legal regulations will not be deemed a waiver of such right by the Seller.
