

**CONDITIONS FOR COMPLAINTS AND WARRANTIES
FOR THE BASIC MODEL (B2B)
NO. CZ_ZARP NO. [•]
Comes into effect: [•] 2018**

1. THE SUBJECT OF THE CONDITIONS

1.1. These Conditions govern the rights and obligations of the Buyer arising from poor performance provided by the Seller and from the Seller's liability for the damage caused by the sale of the Goods to entrepreneurs who, as a rule, sell the Goods to other entrepreneurs or end customers. The regulation of the purchase itself is the subject of separate Terms and Conditions or other provisions of the Purchase Agreement agreed upon by the Seller and the Buyer.

2. DEFINITION OF TERMS

2.1. The terms with capital letters in these Conditions have the following meaning:

"INTERNET SHOP"	means the online shop at eshop.jablotron.cz
"PURCHASE AGREEMENT"	means the purchase agreement governed by the Terms and Conditions and concluded in the user environment of the Internet Shop or a contract concluded between the Buyer and the Seller other than by means of the Internet Shop that regulates the purchase of Goods that are sold on by the Buyer;
"BUYER"	means the person that concludes a Purchase Agreement with the Seller;
"CIVIL CODE"	means Act No. 89/2012 Coll., the Civil Code, as amended;
"TERMS AND CONDITIONS"	means the valid and effective Terms and Conditions of JABLOTRON ALARMS a.s. for purchasing goods in the online shop for assembly and trading companies (B2B);
"CONDITIONS"	means these Conditions for Complaints and Warranties for the Basic Model (B2B);
"SELLER"	means JABLOTRON ALARMS a.s., CRN.: 286 68 715, with its registered office at Pod Skalkou 4567/33, 466 01 Jablonec nad Nisou, Czech Republic, registered in the Commercial Register kept at the Regional Court in Ústí nad Labem, Section B, Insert 1957;
"COMPLAINT"	means the Buyer exercising a right due to poor performance or a quality warranty;
"RMA TOOL"	means the section of the Internet Shop intended for Complaints;
"EXTENDED SERVICE SUPPORT"	means the Seller's undertaking to remove defects in the Goods after the warranty period has expired, that being under the particularly favourable conditions specified in Article 6;
"GOODS"	means any product that the Seller offers for sale in the Internet Shop and which is the subject of purchase in the Purchase Agreement;

3. THE BUYER'S RIGHTS DUE TO POOR PERFORMANCE

- 3.1. Notification of a defect during a Complaint. The Buyer is required to report defects in the Goods by means of the RMA Tool.
- 3.2. Knowledge of the defect. The Buyer has no rights due to poor performance if it concerns a defect, which, having paid due attention, must have been obvious when concluding the contract.
- 3.3. The Buyer inspects the Goods. The Buyer will inspect the Goods as soon as possible after the risk for the Goods has passed to him/her and will verify their properties and quantity.
- 3.4. The Seller's instructions. Whilst using, storing or handling the Goods, the Buyer is obliged to proceed in accordance with the instructions provided by the Seller, in particular the operating instructions and other documents governing handling the Goods.
- 3.5. Reassigning rights. The Buyer is entitled to reassign rights due to poor performance to another person only with the explicit consent of the Seller. Without this consent, the Buyer cannot validly reassign these rights.
- 3.6. Battery. If a battery is supplied with the Goods or is a part of the Goods, then, to the extent that the applicable law permits, the Buyer's rights due to poor performance shall apply only to the Goods themselves and not to the battery, whether the battery is delivered with the goods or is part of the goods. Handling the battery is also subject to special rules that are in an appendix to the Terms and Conditions.
- 3.7. Claims for material and immaterial breach of the Purchase Agreement. In the event of a material breach of the Purchase Agreement, the Buyer shall first and foremost have the right for the defect to be removed by the Seller delivering new Goods without a defect or delivering the missing Goods. If it is not possible to make the claim referred to in the previous sentence, the Buyer has the right for the defect to be removed by the Seller repairing the Goods or with a reasonable discount on the purchase price or the right to withdraw from the Purchase Agreement. These claims can only be exercised sequentially in the given order. In the event an immaterial breach of the Purchase Agreement, the Buyer has the right for the defect to be removed or to a reasonable discount on the purchase price. If a claim is made, whether it be for a material or immaterial breach of the Purchase Agreement, and it cannot however be exercised in the given case, then the Seller shall inform the Buyer of this fact without undue delay. At the same time, the Seller will notify the Buyer about which claim can be chosen.
- 3.8. Costs. In the case of exercising the right due to poor performance, each of the parties to the Purchase Agreement shall bear their own costs.
- 3.9. Burden of proof. The risk for the Goods passes to the Buyer along with ownership of the Goods. The Buyer's right due to poor performance is based on a defect that the Goods had whilst the risk passed to the Buyer, even if it becomes apparent later. This fact is proven by the Buyer.
- 3.10. Retention. The ongoing removal of a defect by the Seller does not affect the Buyer's obligation to pay the purchase price in accordance with the Purchase Agreement.

4. LIABILITY FOR DAMAGES

- 4.1. Limitations. If the Seller is liable for any damage, including the obligation to compensate for it, based on the Purchase Agreement or in connection with the Purchase Agreement, the Seller shall only compensate the damage up to the amount received from the Buyer under the relevant Purchase Agreement.
- 4.2. Exclusions. Compensation for loss of profit or loss of data is excluded. Furthermore, any of the Buyer's regression claims for damages, including cases where the Goods are transferred to another person, are excluded.
- 4.3. Conditions of liability. If the Seller is obliged to compensate for damages, then the compensation is limited only to the foreseeable damages at the time of concluding the Purchase Agreement, which arose due to a culpable breach of liability on the part of the Seller.

- 4.4. Technical support. Any communication with the Seller's employees, or the contractual partners it has designated, is of an informative and non-binding nature. This communication is based on the current state of knowledge and experience concerning the Goods offered and is provided free of charge, unless agreed otherwise. Any liability for any damage arising during any form of communication with the Seller is thereafter excluded.
- 4.5. Presumption of negligence. The provisions of the Civil Code on presumption of negligence (Section 2911 of the Civil Code) shall not apply.
- 4.6. Reporting duty. The Buyer is obliged to notify the Seller without undue delay of any facts that could establish the Seller's liability for damages or affect the amount of any compensation for damages on the part of the Seller. If there is no notification pursuant to the previous sentence and if damages arise, then the Buyer will not be entitled to compensation for any damages incurred due to non-notification, if the Seller would otherwise be obliged to compensate these damages.
- 4.7. Joint and several liability. If the Seller and the Buyer are jointly and severally liable for damages caused by a defect in the product and the Buyer would have a regression claim against the Seller in such a situation, then the amount of the claim is limited to the amount provided by the Seller's insurance, but no more than CZK 10,000 (in words: ten thousand Czech crowns).
- 4.8. Seller's Instructions. The Seller is not liable for any damage resulting from the Buyer not adhering to instructions, especially as regards storing or handling the Goods.
- 4.9. Mandatory provisions of law. The provisions of the Conditions limiting liability for damage shall not apply if they are excluded by mandatory provisions of the law. Furthermore, these provisions shall not apply in the case of injury to a person's natural rights or caused intentionally or through gross negligence.

5. QUALITY GUARANTEE

- 5.1. The Seller provides a warranty for the quality of the Goods delivered to the Buyer under the conditions set out by these Conditions
- 5.2. Warranty period. The Seller guarantees that the Goods will retain their usual properties for 24 (in words: twenty-four) months after receipt by the Buyer. However, the warranty period for batteries is only 12 (in words: twelve) months. The Seller only provides a 6 (in words: six) month quality guarantee for Goods or components or parts with a short lifespan (especially etc.), starting on the date of delivering the Goods to the Buyer.
- 5.3. Exemptions. The quality guarantee does not apply to:
 - 5.3.1. consumables and batteries that are delivered with the Goods or the batteries are part of the Goods,
 - 5.3.2. sub-modules from other suppliers (e.g. a SIM card from a GSM operator),
 - 5.3.3. cases of using the Goods (including their installation) that are contrary to the supplied documentation, in particular the instruction manual, or in violation of legal regulations (upon request, the Buyer undertakes to enable the Seller, to the extent necessary, to verify compliance with the installation conditions directly at the installation site, otherwise the Seller is entitled to reject a defect complaint),
 - 5.3.4. intentionally damaged Goods,
 - 5.3.5. defects caused by force majeure,
 - 5.3.6. wear and tear of the Goods due to normal use,
 - 5.3.7. Goods sold as worn and used,
 - 5.3.8. defects in the Goods that were known to the Buyer at the time of concluding the Purchase Agreement,
 - 5.3.9. defects in the Goods caused by items that are used together with the Goods.
- 5.4. Contractual fine. Should the Buyer hand over the Goods to the Seller in the framework of the quality guarantee, then the Buyer is obliged to send the Goods to the Seller without the battery, unless professional intervention is required to remove the battery or the Seller expressly requests the Goods be delivered with the battery or the Buyer has a well-founded

belief that the battery may be the cause of the defect. In the event of a repeated breach of this obligation, the Seller may charge the Buyer a handling fee in the form of a contractual fine of CZK 200 (in words: two hundred Czech crowns) as reimbursement of the costs incurred by the Seller due to the need to handle the battery, that being for each battery delivered in violation of these provisions.

- 5.5. Costs. In the event that the quality guarantee is exercised, each party to the Purchase Agreement shall bear its own costs. Only in the event that the Buyer's entitlement from the quality guarantee is recognized by the Seller, then the Buyer is entitled to demand compensation from the Seller for proven, reasonably incurred costs in connection with all recognized Complaints in the calendar year, but no more than one tenth of the transactions the Buyer provided to the Seller in the same calendar year. Pursuant to this provision, the reasonably incurred costs shall be settled on the basis of a request by the Buyer, that being always after the end of the given calendar year, namely by the end of the nearest calendar quarter.
- 5.6. Cooperation. During a Complaint, the Buyer is obliged to provide the Seller with all the necessary assistance, in particular to provide the Seller with all the relevant documentation that excludes faulty installation, settings, the effects of the surroundings, faulty use or faulty operation, as well as to send the Goods to which the Complaint relates, unless the Seller, upon receiving the Complaint, does not inform the Buyer that it does not insist on sending the Goods.
- 5.7. Procedure. If the quality guarantee is exercised, the Seller shall decide on the legitimacy of the complaint within 30 (in words: thirty) working days of delivering the Goods in question to the Seller, in complex cases, within 60 (in words: sixty) working days. This period does not include an adequate period, depending on the type of Goods, required for an expert assessment of the defect. The process of removing the defect will be arranged without undue delay after delivering the defective Goods to the Seller.
- 5.8. Manner of making a claim. The Buyer is obliged to claim a quality guarantee by means of the RMA Tool. If the claim is recognized, the defective Goods will be replaced or repaired depending on the Seller's choice.
- 5.9. Ending a claim. The right to a quality guarantee shall cease if the Buyer does not provide the necessary cooperation.
- 5.10. Warranty period. The warranty period is not halted or interrupted whilst exercising the right to the quality guarantee, including the time required to remedy the defect.
- 5.11. Reassignment of rights. The Buyer is entitled to reassign the rights of the quality guarantee to another person only with the Seller's explicit consent. Without this consent, the Buyer cannot validly reassign these rights.

6. EXTENDED SERVICE SUPPORT

- 6.1. **Extended Service Support.** After the warranty period expires, pursuant to Article 5 of the Conditions, the Seller provides Extended Service Support under the following conditions:
 - 6.1.1. Removing a defect in the Goods (which would be covered by the quality guarantee during the warranty period) involves its replacement, repair or another means decided upon by the Seller, that being at a location specified by the Seller.
 - 6.1.2. The Buyer is not entitled to compensation for any costs incurred in connection with a request for providing the Extended Service Support and its provision.
 - 6.1.3. Extended Service Support is only provided in cases in which the Seller's installation record proves (i) the date of first installing the Goods, (ii) that the Goods have always been installed in accordance with the documentation supplied, and (iii) the Goods were installed by a person who, at the time of the installation, was a holder of a valid certificate from the Seller stating that they had been acquainted with the technical parameters and the manner of using the Goods in accordance with the technical documentation and the manufacturer's recommendations.
 - 6.1.4. If the Buyer does not have the documents pursuant to Article 6.1.3. of the Conditions, he/

she can prove the date of first installing the Goods, which, in relation to the supplemented peripherals, is also understood to be the first connection of the peripheral in question to a system already installed, by a listing of events from the given system's control panel, or another similarly conclusive manner.

6.1.5. Cooperation. When making a request for Extended Service Support, the Buyer is obliged to provide the Seller with all the necessary assistance, in particular to provide the Seller with all relevant documentation that rules out faulty installation, settings, the effects of the environment, incorrect use, or faulty operation, as well as sending the Goods the request concerns unless, upon receiving the request, the Seller notifies the Buyer that it does not insist on the Goods being sent.

6.2. Duration of Extended Service Support. Unless otherwise specified in the Purchase Agreement or any other agreement between the Seller and the Buyer, the specific duration of the Extended Service Support is defined as follows:

**FOR BUYERS WITH A MAIN OFFICE OR PLACE OF BUSINESS
IN THE CZECH REPUBLIC AND SLOVAKIA**

For house alarms	3 years after the warranty period expires pursuant to Art. 5.2 of the Conditions or 5 years if the alarm is registered with JABLOTRON SECURITY a.s. regarding the use of some of the Services in the sense of the General Terms and Conditions of JABLOTRON SECURITY a.s.
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For other products	3 years after the warranty period expires pursuant to Art. 5.2 of the Conditions
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**FOR BUYERS WITH A MAIN OFFICE OR PLACE OF BUSINESS IN A COUNTRY OTHER
THAN THE CZECH REPUBLIC AND SLOVAKIA**

For products using the SDC service (before a defect occurred in the product)	5 years after the warranty period expires pursuant to Art. 5.2 of the Conditions.
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For other products	3 years after the warranty period expires pursuant to Art. 5.2 of the Conditions.
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6.3. The Seller can unilaterally change the conditions and period for providing the Extended Service Support at any time, including the option of completely stopping its provision.

6.4. The Seller does not provide any Extended Service Support for batteries.

7. FOLLOW-UP SERVICE SUPPORT

7.1. After the Extended Service Support period expires, or if the conditions for Extended Service Support are not met, the Seller provides a follow-up service for the Goods for a fee, upon expiry of the quality guarantee. The Buyer will be notified in advance about the amount of the service fee and the expected duration of the service, or the inability to perform the service, on the basis of verifying the state of the Goods.

7.2. In connection with processing a request for providing follow-up service support, the Seller will charge the Buyer a handling fee of CZK 200 (in words: two hundred Czech crowns) for each individual case to cover the costs associated with detecting defects in the Goods.

7.3. If the Goods are delivered to the Seller for a service procedure, without having first agreed on the fee for such a procedure, i.e. without the Seller asking for the Goods to be sent, the Seller shall send the Goods back to the Buyer at the Buyer's expense.

7.4. The Seller does not provide any follow-up service support for batteries.

8. FINAL AND COMMON PROVISIONS

- 8.1. Goods for which a complaint has been lodged or Goods with a request for a service procedure pursuant to Article 5, 6 or 7 of the Conditions must be returned to the Seller in a condition that allows the relevant activity to be carried out (the Goods may not be soiled or incomplete, etc.). Otherwise, the Seller is entitled to charge the Buyer a handling fee of CZK 200 (in words: two hundred Czech crowns) for getting the Goods into a state in which the requested activity can be carried out.
- 8.2. Limitation. The limitation period for claims arising under these Conditions, in particular claims for liability for defects or liability for damage, is 1 (in words: one) year from the time this claim was first made. This provision shall not apply if it contravenes the imperative standards of the applicable law. If this is the case, the shortest limitation period regulated by the applicable law shall apply.
- 8.3. Adhesion contracts. In the case of Entrepreneurs, the use of the provisions of the Civil Code on Adhesion Contracts (Section 1799 and Section 1800 of the Civil Code) are excluded.
- 8.4. Excluding acceptance of an offer with a derogation. The acceptance of an offer with a derogation is excluded (Section 1740 (3) of the Civil Code).
- 8.5. Effect. These Conditions come into effect on the date given at the start. With regards to the Buyer, the Conditions are effective at the moment of concluding the Purchase Agreement, where these Conditions form an integral part of the Purchase Agreement.
- 8.6. Severability. If any provision of the Conditions becomes invalid or unenforceable, or if it is found as such by a competent court or other body that has the authority to issue binding decisions or findings as such, this shall not affect the validity or enforceability of the other provisions of the Conditions. If possible, a provision with the most similar meaning will be used instead of such a provision.
- 8.7. Applicable law. With regards to the fact that the Seller has its main office in the Czech Republic, the Conditions are governed by and should be interpreted in accordance with the laws of the Czech Republic. In the event of a dispute with the Seller, it is agreed that the court in whose jurisdiction the Seller has its main office is the exclusive local jurisdiction.
- 8.8. Not exercising rights. In the event that the Seller does not exercise or enforce any of its rights or statutory means of protecting the rights it has under the Conditions or pursuant to the law, or does not insist on them, then such conduct on the part of the Seller shall not be deemed to be waiving such a right.
