

Claim regulations for suppliers of TATRAVAGÓNKA a.s. (hereinafter referred to as „**CR**“)

Preamble

TATRAVAGÓNKA a.s. Company, Štefánikova 887/53, 05801 Poprad, Slovak Republic, Company's identification no.: 31699847, registered in Company's Register of District Court Prešov, Section Sa, File no. 191/P (hereinafter referred to as „**TVP**“) is a manufacturer of mainly freight railway wagons, bogies for freight railway wagons, other subassemblies of freight wagons. Goods purchased by **TVP** from **suppliers** are designated for production of **TVP** within the above specified scope of business.

I.

Definitions

Except for the terms defined individually in the text of these **CR**, the words in bold have the following meaning:

Delivery contract – is a contract (mainly purchase contract, contract for work or some other contract with similar effect) concluded between one or more persons on one side and **TVP** on the other side; subject of this contract is goods delivery, performance of works or providing services for **TVP**; to exclude any doubts, the **delivery contract** is considered to be also a confirmed order with the same subject.

Supplier – is a person that concluded a **delivery contract** with **TVP**.

Goods – is a fulfilling that shall be provided to **TVP** by the **supplier** on the basis of the **delivery contract**.

Price – is a purchase price, price of work, or any other financial fulfilling that has to be paid by **TVP** to the **supplier** for goods on the basis of the **delivery contract**.

Contracting parties – means **supplier** and **TVP** together; **contracting party** means any of the **contracting parties** individually.

II.

Subject of arrangement

1. Subject of these **CR** is an arrangement of rights and obligations of the **supplier** and **TVP** regarding claims for goods defects and claims connected with claims for defects from the side of **TVP**, unless otherwise stated in the **delivery contract**.
2. Provisions of the **delivery contract** are superior to the provisions of **CR**.

III.

Guarantee and claims for commodity defects

1. **The supplier** is obliged to deliver goods to the **purchaser** in the quantity and quality required in the specification mentioned in the **delivery contract**, mainly

with regard to agreed quality, volume or weight. Goods delivered on the basis of the delivery contract have to comply with binding technical standards. If the **delivery contract** does not specify quality or layout of the goods, the **supplier** is obliged to deliver the goods in quality and layout that is suitable for purpose mentioned in the **delivery contract**, or, when this purpose is not stated in the **delivery contract**, for purpose these goods is usually used for.

2. If the **supplier** violates obligation stated in point 1 of this article, such delivered goods has a defects.
3. **The supplier** is liable for defects which has the goods in the moment of transfer of risk to **TVP**, even if the defect becomes evident after this transfer. The **supplier** is also liable for any defect, which will occur after transfer of risk to **TVP**, if this defect is caused by violation of the **supplier's** obligations.
4. **TVP** is obliged to check delivered **goods** within 60 days from their delivery. **TVP** is obliged to draw his claims to **goods** defects, which it could discover during ordinary inspection in accordance to the previous sentence, within 60 days from the **goods** delivery date.
5. **Goods** delivered on the basis of the **delivery contract** will have to be suitable for using for agreed or usual purpose, or, they will have to keep its agreed or usual characteristics for a period of 24 months after the day of introducing the goods as a part of the final product into the operation, but, at most, for 27 months from the goods delivery date. Guaranty period shall not run during period when **TVP** cannot use goods because of defects for which the **supplier** is liable.
6. **Goods** have a legal defect, if sold **goods** are burdened by the right of the third party, unless **TVP** agreed with this restriction.
7. If the right of the third party, by which goods are burdened, results from industrial or other intellectual property, then, goods have legal defects if,
 - a) this right uses legal protection according to the legal order of the country, in which the **supplier** has its seat, place of business or permanent residence, or
 - b) the **supplier** knew, in the time of contract conclusion, or had to know that this right uses legal protection according to the legal order of the country, in which **TVP** has its seat or place of business, or according to the legal order of the country to which goods were to be sold or in which they were to be used, and **TVP** was familiar, in time of **delivery contract** conclusion, with this sale or place of usage.
8. If the **delivery contract** is considerably violated by delivery of goods with defects, **TVP** can:
 - a) request removal of the defects by exchanging faulty goods for new ones, delivery of missing goods and can request removal of the legal defects,
 - b) request removal of the defects by their repair, if they can be repaired,
 - c) request adequate discount from the **price**, or
 - d) withdraw from the **delivery contract**.The choice between mentioned claims is up to **TVP** and **TVP** shall mention its choice in the 8D report according to the point 10 of this article. **TVP** shall deliver this report to the **supplier**. If the **supplier** does not remove defects of the **goods** in adequate additional time period, or if he announces before the end of this period that he will not remove these defects, **TVP** can withdraw from the **delivery contract** or can request an adequate discount from the **price**.
9. If the **delivery contract** is only marginally violated by delivery of goods with defects, **TVP** can request:
 - a) delivery of missing **goods** and removal of other **goods** defects, or

b) discount from the **price**

The choice between mentioned claims is up to **TVP** and **TVP** shall mention its choice in the 8D report according to the point 10 of this article. **TVP** shall deliver this report to the **supplier**. If the **supplier** does not remove defects of the **goods** in adequate additional time period, or if he announces before the end of this period that he will not remove these defects, **TVP** can withdraw from the **delivery contract** or can request an adequate discount from the **price**. In the case of useless expiration of the time period dedicated to the removal of the defects, **TVP** is entitled to withdraw from the **delivery contract** without prior notification about this right to the **supplier**.

10. In the case that there are discovered defects on the goods delivered on the basis of the **delivery contract**, the employee of the quality control department of **TVP** shall issue an 8D Report (a sheet for 8D Report is published on **TVP** web page www.tatravagonka.sk), which shall be delivered to the **supplier** by the employee of the sale department of **TVP**. 8D Report contains mainly delivery identification (name of goods, identification of the **delivery contract**, delivery note ...) and defect description, whereby, an annex can consist of photo-documentation or test results.
11. **The supplier** is obliged to submit to **TVP** his statement to the filed claims related to the goods defects within 14 days from the date of 8D Report delivery according to the point 10 of this article. If the **supplier** does not deliver his written statement to **TVP** regarding the claims within mentioned time period, such act is considered to be manifestation of his will, by which he accepts his responsibility for the defects stated in the corresponding complaint.
12. In the case that the **supplier**:
 - a) refuses to remove defects of goods claimed by delivered written complaint,
 - b) does not start to remove claimed defects after acceptance of delivered complaint within reasonable time period, or
 - c) does not submit his statement to the corresponding complaint within the time period mentioned in the point 11,**TVP** is entitled to remove these defects by its own, using method it wants, at the expenses of the **supplier**. Mentioned expenses will be charged to the **supplier** after completion of repairs and the **supplier** is obliged to pay these expenses immediately after delivery of an invoice.
13. Even if no condition, mentioned in the previous point, is fulfilled, **TVP** is entitled to remove defects at the expenses of the **supplier**, but only when these expenses don't exceed amount of 100 EURO in an individual case. Mentioned expenses will be charged to the **supplier** after completion of repairs and the **supplier** is obliged to pay these expenses immediately after delivery of an invoice.
14. **TVP** and the **supplier** can make an agreement that, in order to minimize losses from the delivery of faulty goods, **TVP** will repair delivered faulty goods on its own at the expenses of the **supplier**. In that case the **supplier** is obliged to elaborate professional repair manual and deliver it to **TVP**. The **supplier** is responsible for correctness and suitability of the manual. In the case that **TVP** will realise repair on its own, it has right to compensations for costs really and demonstrably expended on the repair and it will invoice these costs to the **supplier**. Costs for the repair are determined by the evaluation of **TVP**. **TVP** has right to and the **supplier** is obliged to pay these costs as well as costs of **TVP** that occur when the defect is discovered during production. The **supplier** is obliged to pay also

costs related to the repair, or exchange of faulty goods, on the basis of issued invoice from **TVP** without unreasonable delay after its delivery.

15. **TVP** has right, for every reasonably issued 8D Report, to a compensation for costs in the amount of 100,- EURO related to the administration activities connected with issue of the 8D Report.
16. **TVP** has, except the right to compensation for the costs connected with administrative activities, also right to compensation for damage caused by faulty goods including lost profit as well as compensation for costs expended by **TVP** in connection with faulty goods.

IV.

Withdrawal from the purchase contract

1. By withdrawal from the **delivery contract**, the **delivery contract** is terminated in the moment when the declaration of will of **TVP** is delivered to the **supplier**.
By withdrawal from the **delivery contract**, all rights and obligations of the **contracting parties** related to this **delivery contract** are terminated. Withdrawal from the **delivery contract** has no effect on the claims for compensation of damage caused by violation of the **delivery contract**, nor on the contractual provisions connected with the choice of law, settlement of disputes between the **contracting parties** and other provisions, which, according to the declared will of the **contracting parties** or according to their nature, shall be valid even after termination of the **delivery contract**.

V.

Delivery

1. Delivery of the documents between the **supplier** and **TVP** in relation with this **delivery contract** is performed during personal meetings or by the holder of the post licence (the post).
2. Document is considered to be delivered when other **contracting party** takes it over.
3. All documents sent to the **contracting party** via the post are considered to be delivered also in the case when they return to the **contracting party** – sender as undeliverable, but only when they were sent to the address of the **contracting party** – addressee seat stated on the first page of the **delivery contract** or to some other address, which the **contracting party** – addressee announced to the **contracting party** – sender in the written form after the **delivery contract** was signed.
4. Legal effects of the delivery occur in the case that the **contracting party** – addressee foils the delivery of the documents by i) refusing of their acceptance ii) not informing the other **contracting party** about his new address, or iii) omittance (mainly by not picking up the stored delivery). The day of delivery is in such case i.) the day of refusal of the delivery by the **contracting party** – addressee ii.) the day when the post informs the **contracting party** – sender that the **contracting party** – addressee was not found at the address or iii.) the last day of the time period for storage of the documents.
5. Each **contracting party** is obliged to inform other **party** in writing about change of the address mentioned on the first page of the **delivery contract**. Until delivery of written notification about change of the address of the **contracting party**, all documents sent to the original address of the **contracting party** are considered to be properly delivered.

In Poprad, on April 1, 2009