

## GENERAL TERMS AND CONDITIONS

The General Terms and Conditions form an integral part of the contract or order confirmation.

They enter into force at the moment of signing the contract by both parties or at the moment of order confirmation.

### 1. GENERAL

- 1.1. The express provisions of individual contracts or order confirmations take precedence over the provisions of these General Terms and Conditions.
  - 1.2. The Contractor and the Client undertake to keep all information arising from this contract confidential and not to disclose it to third parties.
  - 1.3. The Client undertakes to notify the Contractor of any change in contact details within 8 working days from the date of the change.
  - 1.4. The Client undertakes to provide samples and documentation and to allow the Contractor access to all production areas, records and personnel according to the ordered certification program. In the event of a change to the order confirmation, the Client shall be notified in writing of the change to the confirmation and the reason for it.
  - 1.5. The Contractor undertakes to limit its requirements for certification to matters relating to the intended scope of certification and the Client undertakes to provide the necessary cooperation to this end.
  - 1.6. For the purpose of carrying out the tests and assessments, the Contractor may delegate the execution of any of the tests to another organisation with which he enters into a subcontract.
  - 1.7. All disputes arising out of or related to the contract or order confirmation shall be resolved by the parties by agreement and out of court. If no agreement is reached, the dispute shall be resolved by a general Czech court of competent jurisdiction according to the law in force in the Czech Republic.
  - 1.8. The Contractor shall have the right to withdraw from the contract in the event of non-payment of the advance payment or the price for performance by the Client and furthermore in the event that the samples of products and documentation required in the contract or the order confirmation are not delivered to the Contractor within 3 months from the signing of the contract. Withdrawal shall be effective upon receipt of written notification by the Client. If the contract is not completed within 1 year from the commencement of the required activities due to the failure of the Client to provide the Contractor with the necessary proper and timely cooperation, i.e., in particular if the Client: a) fails to remove the defect in the sample, b) fails to remove the discrepancy between the documentation and the sample, c) fails to complete the required documents necessary for the issuance of the required documents, and such failure of the Client to act prevents the Contractor from fulfilling its obligations under the contract, the Contractor shall be entitled to withdraw from the contract in accordance with Art. § 89/2012 Coll, of the Civil Code (hereinafter referred to as the „Civil Code“) for a material breach of the contract by the Client's default. If the Contractor fails to exercise his right to withdraw from the contract in time pursuant to Section 1977 of the Civil Code, he is entitled to withdraw from the contract after a reasonable period of time has elapsed pursuant to Section 1978 of the Civil Code (i.e. in the manner provided for a minor breach of a contractual obligation by default). In the event of withdrawal from the contract, the Contractor shall be entitled to reimbursement of all costs which it has reasonably incurred up to that time on the Client's order. The Contractor shall invoice the Client for these costs; if the Client has paid an advance on the agreed price of performance, the Contractor shall be entitled to satisfy its claim for payment of the costs incurred by offsetting the advance. According to the mutual understanding of the parties, the client's obligation to pay all costs incurred by the Contractor for the contract shall continue after the termination of the contract.
  - 1.9. The Client is entitled to withdraw from the contract under the conditions set out in Section 1992 of the Civil Code. Such withdrawal may only be made in writing. The withdrawal fee is 10% of the agreed price. The Client agrees that this amount may be increased by the actual costs already incurred, which he undertakes to pay to the Contractor.
  - 1.10. The performance of activities according to the contract or order confirmation does not affect the legal relations between the Client and other persons, in particular persons to whom the sample is intended or from whom the sample originates.
  - 1.11. The Client declares that he/she does not infringe or misuse patent rights, industrial property rights, licences or know-how of the manufacturer of the tested samples and that the tested samples are not subject to ownership, liens or similar rights of other persons that would restrict the performance of activities under the contract. In the event of a breach of this declaration, the Contractor shall have the right to withdraw from the contract with immediate effect.
  - 1.12. In the event of delay in payment of the invoice, the Client undertakes to pay delay interest of 0.05% of the amount due for each day of delay and to pay the full amount of any damage that may be incurred by the Contractor.
  - 1.13. The Contract shall become effective upon signature by the contractual parties. If the contracting parties do not sign the contract at the same time, the contract shall become effective on the date of delivery of the signed contract by the Client to the Contractor. In the case of order confirmation, the contractual relationship between the parties is concluded on the date of signature of the order confirmation by the Contractor.
  - 1.14. Any changes or amendments to the Contract or these General Terms and Conditions must be made in writing in the form of an addendum and approved by signature of both contractual parties. Such amendments shall become an integral part of the contract.
  - 1.15. Legal relations not expressly regulated by this contract shall be governed by the legal regulations contained in the Civil Code, the Trademark Act (No. 441/2003 Coll.) and related regulations.
  - 1.16. The granting of a certificate, licence to use a brand or other certificate or document does not relieve the Client (licence holder) of liability for the product, its quality and safety, in particular the obligation to compensate for damage caused by a defect in the product pursuant to Section 2939 et seq. of the Civil Code.
- ### 2. REQUIREMENTS RELATING TO SAMPLES TO BE TESTED
- 2.1. The Client will provide the required samples and their components free of charge, which will be returned to the Client after testing. The Client agrees not to claim compensation from the Contractor for any damage to the samples and

their components resulting from the tests. Samples may lose functionality or safety during testing.

- 2.2. The samples will be properly packed, labelled and protected by the Client for the purpose of transport.
- 2.3. In the event that a defect occurs in the sample that makes it impossible for the Contractor to comply with the object of performance, he shall immediately inform the Client thereof. The Client shall provide the necessary cooperation for the elimination of the defect. The time limit for performance specified in the contract shall be extended by the time required for the removal of the defect.
- 2.4. If there is such a discrepancy between the documentation and the sample that the Contractor is unable to comply with the subject of performance, he shall immediately inform the Client thereof. The Client shall provide the necessary assistance to ensure that the documentation is correct. The period of performance specified in the contract shall be extended by the time necessary to ensure correct documentation. The documentation which does not serve to substantiate the progress of the contract and is not requested by the Client to be returned shall be shredded.
- 2.5. The Contractor undertakes to send the samples back to the address of the Client or the supplier of the samples at their expense after the tests have been completed, unless otherwise agreed. The cost of returning the samples shall be invoiced to the Client or the supplier of the samples, who undertakes to reimburse the Contractor.
- 2.6. The Client or the supplier of the samples may collect the samples in person after agreement with the Contractor, but no later than 14 calendar days after the Contractor's invitation. If he/she fails to collect the samples within the specified time, he/she undertakes to pay the Contractor a storage fee in the amount of CZK 500.- + VAT per day, but not more than for the following 14 calendar days. At the end of this period, the samples shall be returned to the address of the Client or sample supplier at the Client's or sample supplier's expense and the Contractor shall invoice the costs of returning the samples and the storage fee, which the Client or sample supplier undertakes to pay.

### **3. GRANTING OF CERTIFICATES AND LICENSES (FOR THE BRAND(S) SPECIFIED IN THE CONTRACT)**

- 3.1. The Client is obliged to ensure that all products placed on the market with the brand, the use of which has been licensed to him, are identical to the samples sent for testing and certification, and that they meet all the requirements and obligations laid down by the applicable legislation relating to the products supplied. The Client acknowledges that he/she is the sole responsible for the product, its quality and safety and that the Contractor shall not be liable in this respect for any damage or other harm caused to third parties or final consumers.
- 3.2. The Client has the right to use the brand on the product, its packaging, accompanying and production documentation and in advertising.
- 3.3. The Client determines the size of the brand obtained by proportional enlargement or reduction. The brand must be legible and proportional to the manufacturer's marking on the product. It is not permissible to change the proportion of the sides of the brand. If it is not possible to place the brand on the product, the brand shall be placed on the

smallest package of the product. The brand must meet the requirements laid down for other indications on the product in terms of durability.

- 3.4. The Client undertakes to keep a record of complaints (claims) relating to the conformity of the product with the standards according to which the licence to use the brand was granted, to take reasonable measures to eliminate the deficiencies and to document the measures taken. On request, it shall submit such documentation to the Contractor.
- 3.5. The Client undertakes to use references to certification only within the scope of the certification granted, not to use it in a misleading manner and to comply with the requirements of the Contractor in disputed cases.
- 3.6. If the Client intends to make modifications to the product which may affect its conformity with the standards against which it has been assessed, he shall consult the Contractor, who shall decide whether new tests of the product will be necessary.
- 3.7. The Client has no right to grant sublicenses.
- 3.8. The Contractor shall have the right to withdraw the certificate or the licence to use the brand in the event of a breach of the contractual obligations by the Client. Revocation of the licence shall also be based on unsatisfactory results of regular inspections or control tests. The licence shall also be revoked in the event of failure to pay the licence fees in due time. The Contractor shall have the right to revoke any certificates or licenses of the Client if it is found that the Client has altered any output document.
- 3.9. Both parties have the right to withdraw from the contract if the other party breaches its obligation under the contract in a material manner in accordance with the provisions of Section 2002 of the Civil Code. If the party entitled to withdraw from the contract does not exercise its right to withdraw from the contract in time for a material breach of contract, it shall be entitled to withdraw from the contract in a manner similar to a minor breach of contract, i.e. after the party who has breached its obligation has failed to fulfil it even within an additional reasonable period of time granted to it in writing. Withdrawal shall be effective upon delivery of written notice of withdrawal to the other party.
- 3.10. In the event that the Client decides to terminate the licence agreement, the Client shall notify the Contractor in writing of the termination. The withdrawal shall be effective as of the last day of the month following the written notification by the Client. The licence fees paid shall not be refunded.
- 3.11. After the termination of the Brand Licensing Contract, no products covered by this contract for which brand use licenses have been granted may be marked with the brands specified in this contract.
- 3.12. As soon as the Contractor becomes aware of an infringement of intellectual property rights in connection with the brand, the Contractor shall request the Client to refrain from infringing such rights and shall take the necessary steps, if any, to prevent such infringement.

The documents issued by the Contractor may not be reproduced other than in full without the written consent of the Contractor! If the Client refers, for example in promotional material, to the documents issued (in particular certificates, test reports, etc.), he must only use wording that guarantees clear identification of the subject of the service provided and its complete scope.