

## GENERAL CONDITIONS OF SERVICES

### 1. GENERAL

(a) Unless agreed otherwise in writing or unless these General Conditions of Service were found in conflict with cogent provisions of legal regulations as in effect in the territory of the Czech Republic governing the provision of services, all offers or services and all resulting contractual relations between SGS Czech Republic, s.r.o. (hereinafter referred to as the "**Company**") and client (herein after referred to as "**Contractual Relations**") shall be governed by such General Conditions of Service (hereinafter referred to as the "**General Conditions**").

(b) The Company may perform services for persons or entities (private or public law) issuing instructions (hereinafter the "**Client**").

(c) Unless the Company receives prior written instructions to the contrary from Client, no other party is entitled to give instructions, particularly on the scope of the services or the delivery of reports or certificates resulting therefrom (hereinafter referred to as the "**Inspection Reports**"). Client hereby irrevocably authorises the Company to deliver Inspection Reports to a third party where so instructed by Client or, at its discretion, where it implicitly follows from circumstances, trade custom, usage or practice.

### 2. PROVISION OF SERVICES

(a) The Company will provide services using reasonable care and skill and in accordance with Client's specific instructions as confirmed by the Company or, in the absence of such instructions:

- (1) the terms of any standard order form or standard specification sheet of the Company; and/or
- (2) any relevant trade custom, usage or practice; and/or
- (3) such methods as the Company shall consider appropriate on technical, operational and/or financial grounds.

(b) Information stated in Inspection Reports is derived from the results of inspection or testing procedures carried out in accordance with the instructions of Client, and/or our assessment of such results on the basis of any technical standards, trade custom or practice, or other circumstances which should in our professional opinion be taken into account.

(c) Inspection Reports issued further to the testing of samples contain the Company's opinion on those samples only and do not express any opinion upon the lot from which the samples were drawn.

(d) Should Client request that the Company witness any third party intervention, Client agrees that the Company's sole responsibility is to be present at the time of the third party's intervention and to forward the results, or confirm the occurrence, of the intervention. Client agrees that the Company is not responsible for the condition or calibration of apparatus, instruments and measuring devices used, the analysis methods applied, the qualifications, actions or omissions of third party personnel or the analysis results.

(e) Inspection Reports issued by the Company will reflect the facts as recorded by it at the time of its intervention only and within the limits of the instructions received or, in the absence of such instructions, within the limits of the alternative parameters applied as provided for in clause 2(a). The Company is under no obligation to refer to, or report upon, any facts or circumstances which are outside the specific instructions received or alternative parameters applied.

(f) The Company may delegate the performance of all

or part of the services to an agent or subcontractor and Client authorises Company to disclose all information necessary for such performance to the agent or subcontractor.

(g) Should Company receive documents reflecting gagements contracted between Client and third parties or third party documents, such as copies of sale contracts, letters of credit, bills of lading, etc., they are considered to be for information only, and do not extend or restrict the scope of the services or the obligations accepted by the Company.

(h) Client acknowledges that the Company, by providing the services, neither takes the place of Client or any third party, nor releases them from any of their obligations, nor otherwise assumes, abridges, abrogates or undertakes to discharge any duty of Client to any third party or that of any third party to Client.

(i) All samples shall be retained for a maximum of 3 months or such other shorter time period as the nature of the sample permits and then returned to Client or otherwise disposed of at the Company's discretion after which time Company shall cease to have any responsibility for such samples. Storage of samples for more than 3 months shall incur a storage charge payable by Client. Client will be billed a handling and freight fee if samples are returned. Special disposal charges will be billed to Client if incurred.

### 3. OBLIGATIONS OF THE CLIENT

The Client will:

(a) ensure that sufficient information, instructions and documents are given in due time (and, in any event not later than 48 hours prior to the desired intervention) to enable the required services to be performed;

(b) procure all necessary access for the Company's representatives to the premises where the services are to be performed and take all necessary steps to eliminate or remedy any obstacles to, or interruptions in, the performance of the services;

(c) supply, if required, any special equipment and personnel necessary for the performance of the services;

(d) ensure that all necessary measures are taken for safety and security of working conditions, sites and installations during the performance of services and will not rely, in this respect, on the Company's advice whether required or not;

(e) inform Company in advance of any known hazards or dangers, actual or potential, associated with any order or samples or testing including, for example, presence or risk of radiation, toxic or noxious or explosive elements or materials, environmental pollution or poisons;

(f) fully exercise all its rights and discharge all its liabilities under any relevant sales or other contract with a third party and at law.

### 4. FEES AND PAYMENT

(a) Fees not established between the Company and Client at the time the order is placed or a contract is negotiated shall be at the Company's standard rates (which are subject to change) and all applicable taxes shall be payable by Client.

(b) The Client shall pay to the Company the remuneration within 14 days starting from the date of the issuance of the respective invoice ("**Due Date**"). Should the Client fail to pay the remuneration to the Company duly and timely, the Company may impose delay charges amounting to 0.05 % of the debt for every day of such a delay starting from

the Due Date to the date when the debt is actually paid to the Company.

(c) The Client may set off against the Company or retain only such claims that are indisputable, that means duly admitted by the Company or adjudicated by a court, administration or arbitration body.

(d) Company may elect to bring action for the collection of unpaid fees in any court having competent jurisdiction. Client shall pay all of the Company's collection costs, including attorney's fees and related costs.

(e) In the event any unforeseen problems or expenses arise in the course of carrying out the services the Company shall endeavour to inform Client and shall be entitled to charge additional fees to cover extra time and cost necessarily incurred to complete the services.

(f) If the Company is unable to perform all or part of the services for any cause whatsoever outside the Company's control including failure by Client to comply with any of its obligations provided for in clause 3 above the Company shall nevertheless be entitled to payment of:

- (1) the amount of all non-refundable expenses incurred by the Company; and
- (2) a proportion of the agreed fee equal to the proportion of the services actually carried out.

#### **5. SUSPENSION OR TERMINATION OF SERVICES**

The Company shall be entitled to immediately and without liability either suspend or terminate provision of the services in the event of:

(a) failure by the Client to comply with any of its obligations hereunder and such failure is not remedied within 10 days that notice of such failure has been notified to Client; or

(b) failure by the Client to pay in time any amount, has started negotiations to prevent any insolvency proceeding as well as in case of the initiation of an insolvency proceeding against the Client, initiation of the bankruptcy proceeding in respect of the Client, the insolvency of the Client, imposing the receivership in respect of the Client or the discontinuation of the Client's business activities including the decision on the cancellation of the Client's company and its liquidation.

#### **6. LIABILITY AND INDEMNIFICATION**

(a) Limitation of Liability:

(1) The Company is neither an insurer nor a guarantor and disclaims all liability in such capacity. Clients seeking a guarantee against loss or damage should obtain appropriate insurance.

(2) Inspection Reports are issued on the basis of information, documents and/or samples provided by, or on behalf of, Client and solely for the benefit of Client who is responsible for acting as it sees fit on the basis of such Inspection Reports. Neither the Company nor any of its officers, employees, agents or subcontractors shall be liable to Client nor any third party for any actions taken or not taken on the basis of such Inspection Reports nor for any incorrect results arising from unclear, erroneous, incomplete, misleading or false information provided to the Company.

(3) The Company shall not be held responsible for any delayed provision of services, full or partial failure to provide any services as may result directly or indirectly from an event that are beyond the control of the Company including the Client's failure to comply with any obligation whatsoever as may result from these Contractual Relation and/or these General Conditions.

(4) The liability of the Company in respect of any claim for loss, damage or expense of any nature and

howsoever arising shall in no circumstances exceed a total aggregate sum equal to 10 times the amount of the fee paid in respect of the specific service which gives rise to such claim or US\$20,000 (or its equivalent in local currency), whichever is the lesser.

(5) The Company shall not be liable for any direct or indirect losses including but not limited to any lost profit, lost income, loss of opportunity, loss of good reputation, loss due to withdrawal of products from the circulation. It shall further have no liability for any loss, damage or expenses arising from the claims of any third party (including, without limitation, product liability claims) that may be incurred by the Client.

(6) In the event of any claim, Client must give written notice to the Company within 30 days of discovery of the facts alleged to justify such claim and, in any case, the Company shall be discharged from all liability for all claims for loss, damage or expense unless suit is brought within one year from:

(i) the date of performance by the Company of the service which gives rise to the claim; or

(ii) the date when the service should have been completed in the event of any alleged non-performance.

(b) Indemnification:

Client shall guarantee, hold harmless and indemnify the Company and its officers, employees, agents or subcontractors against all claims (actual or threatened) by any third party for loss, damage or expense of whatsoever nature including all legal expenses and related costs and howsoever arising relating to the performance, purported performance or non-performance, of any services.

#### **7. MISCELLANEOUS**

(a) If any one or more provisions of these General Conditions are found to be illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(b) During the course of providing the services and for a period of one year thereafter Client shall not directly or indirectly entice, encourage or make any offer to Company's employees to leave their employment with the Company.

(c) Use of the Company trade name or any registered inventions, trademarks, applied and industrial designs of the Company for any advertising purposes shall be subject to prior written consent given by the Company.

#### **8. GOVERNING LAW, JURISDICTION AND DISPUTE RESOLUTION**

Unless agreed otherwise between the Company and the Client and unless provided otherwise herein, all and any disputes as may arise from or in connection with the Contractual Relations shall be governed by the Substantive and Procedural Law of the Czech Republic excluding the rules of the international Private Law. All any such disputes shall be decided by a court having the jurisdiction at the place of the Company registered address. However, the Company shall be authorised to initiate any lawsuit against the Client at the general court at the place of the registered address of the Client. The language of the proceedings shall be Czech.