

GENERAL CONDITIONS OF PURCHASE OF THE COMPANY Saint-Gobain Construction Products CZ a.s., division GLASSOLUTIONS

I. Introductory Provisions

1. Legal relations between Saint-Gobain Construction Products CZ a.s., division GLASSOLUTIONS (hereinafter referred to as the "Buyer") and the Seller are subject to this document "General Conditions of Purchase of the Company Saint-Gobain Construction Products CZ a.s., division GLASSOLUTIONS" (hereinafter referred to as GCP). Any possible additional agreements and amendments must be in writing. Other general terms and conditions shall not apply to the contractual relationship even if they are not expressly disputed by the Buyer.
2. The objects of purchase must meet the technical data prescribed by the Buyer, requirements or assignment according to documents supplied by the Buyer to the Seller. These data and the requirements are "guaranteed characteristics" of the purchase objects, unless there is an exception for the individual data and requirements expressly stated in writing by the Buyer.

II. Contractual Relationship

1. The order must be issued on the standard form of the Buyer. All Purchase Agreements (order and confirmation) and order cancellations, as well as their changes and amendments must be in writing. Cancellations can be made also via remote data transmission.
2. If the Seller does not confirm the order within two days after its receipt, the Buyer has the right to cancel it. The cancellation is made in writing and sent to the same address of the Seller, where was sent the original order. Order cancellations are binding unless the Seller rejects them within two days.
3. The Buyer may require of the Seller to change the object of purchase in its construction and design. Implications, especially concerning the reduction or increase in costs and delivery times, are yet to be solved adequately by mutual agreement in the form of a written addendum to the purchase order or contract. Agreement on change of the obligation is effective only if the entire agreement of the commitment (and its change) is valid.
4. The Buyer has the right to withdraw from the contract if the Seller:
 - is unable to meet delivery dates within the meaning of the order and the agreed conditions,
 - repeatedly delivers defective goods,
 - is repeatedly late with deliveries,
 - is insolvent,
 - violates the provisions of these Purchase Conditions,
 - the Seller has been filed an insolvency petition at, etc.

III. Payment, Payment Terms and Invoicing, Transfer of Ownership Rights

1. If the Seller submits the object of purchase to the Buyer without defects, he has the right to invoice the supplied goods to the last day of the month, in which the goods were delivered. In case of taking over the object of purchase on an earlier date, the maturity shall conform to the agreed delivery date.
2. Payment is made by bank transfer. Any change in maturity date must be agreed by both Parties. The Buyer is entitled to charge immediately any differences arising from variations in price or quantity to the account of the Seller and to offset against the soonest due invoice. In case of changes in prices with retroactive effect shall be proceeded in the same way.
3. In the case of delivery of defective goods, the Buyer is entitled to withhold the payment until the proper performance.
4. Without the prior written consent of the Buyer, the Seller is not entitled to assign any claims against him or transfer them to any third parties. This also applies to other rights from the contract. An oral assignment of the Seller's receivables is expressly excluded. The Seller is not entitled to the rights arising from such a contract to establish a right of pledge or other rights of third parties.
5. The Seller will contribute to mutual reconciliation of assets and liabilities in the deadline of five days from the receipt of regular review by the Seller.
6. The Buyer acquires the ownership of the sold goods immediately upon delivery of the goods by the Seller to the Buyer.

IV. Complaints

If the Buyer finds deviations from the order or the bill of delivery / handover protocol, such as differences in quantity, quality or damage during transport, he is entitled either to return or take over the delivery without losing his legal rights. The Buyer may claim the obvious defects within 5 days of receipt of the item.

V. Observance of Confidentiality

1. The contractual partners undertake that all non-public economic and technical details, coming to their knowledge through their business relationships, will be treated as a trade secret.
2. Drawings, models, templates, samples and similar items must not be provided or otherwise made available to unauthorized third parties. Reproduction of such items is permitted only within the operational requirements and the provisions of the copyright.
3. All Seller's subcontractors shall be bound accordingly.
4. For advertising purposes, the contractual partners may use their business connections only after a prior written consent.

VI. Delivery of goods / material / service

The agreed dates, deadlines and quality are mandatory. As meeting the deadline of delivery is decisive receiving the goods / material / service (hereinafter referred to as the "goods") by the Buyer. The Seller is obliged to prepare the goods on time, taking into account the usual time required for loading and dispatch. Deliveries are carried out according to the instructions of the Buyer. The Seller is obliged to enclose to the supplied goods supporting documents:

- a) Domestic Seller (delivery note with the corresponding requirements - such as quantity, order number, description of goods, etc.).
- b) Foreign Seller (delivery note, invoice, customs documents and proof of origin).

In case of failure to deliver the proof of origin, the supply of goods shall be considered as incomplete and the Buyer has the right to withhold payment for the delivery of goods in accordance with Article III. The Seller is obliged to pay for any damages caused by failure to deliver the proof of origin.

For all trading clauses applies the INCOTERMS 2010.

VII. Delay in Delivery of Goods

The Seller shall indemnify the Buyer from any damages caused by the delay in accordance with the legal regulations, unless is explicitly stated otherwise in the contract or order.

VIII. Force Majeure

Force majeure, strikes, riots, measures of authorities and other unforeseen, unavoidable and serious events exempt the contractors for the duration of the disruption and at the extent of its effect from their performance obligations. This applies even if these events occur when the affected party is in delay. The contractors have an obligation within the bounds of possibility to provide the necessary information and adapt in good faith their obligations to the changed conditions.

IX. Quality and Documentation

1. Each delivery must be free from defects. The Seller is responsible for the quality of the delivered items and undertakes to carry out effective quality assurance and documentation and evidence of the goods to the Buyer.
2. The items of delivery must always correspond to the latest state of the competition, taking into account the latest state of science and technology.
3. Should there be any deviations from the above, the Seller will inform the Buyer without being prompted and both parties shall enter into negotiations in order to achieve adaptation to the competition.
4. In addition, the Seller is obliged to inform the Buyer about the planned changes in the production process and/or control of goods.
5. The Seller is obliged to give the Buyer the opportunity to convince that the quality assurance measures are applied to the needed extent and fulfilled is also the related obligation to keep the documentation. For this purpose, the Seller shall enable the Buyer after agreement at any time to visit the production and inspection site, insight into production and inspection of materials, including the documentation. For confidentiality purpose applies to the full range Article V.
6. The basis for assessment and determination of the extent of the necessary measures to ensure quality is:
 - a) For supply of basic (direct) material:
 - Quality Assurance Agreement if it is closed,
 - ISO standards Certification,
 - Technical delivery conditions: ČSN, product specification, quality certificate
 - b) For supplies of chemical substances
 - ISO standards Certification,
 - Technical delivery conditions: ČSN, product specification, quality certificate
 - Material Safety Data Sheet - Evidence safety data sheet of the material in terms of protection of people, environment and the handling of hazardous substances.
 - c) Others
 - Operating Instructions, manuals, project documentation, proof of meeting the requirements of CE
 - Other documents proving the quality not specified above

X. Guarantee

1. In case of deliveries of defective goods by the Seller, before the production (processing or assembly) he can sort out the defective parts, repair or deliver them additionally, however, only if it is acceptable for the Buyer. If the Seller cannot do so, or fails to remedy the matters immediately, the Buyer may withdraw from the contract in the range of the defective goods delivery and send the goods back at the Seller's risk. In urgent cases and after agreement with the Seller, the Buyer may make adjustments to the goods himself or he may arrange it to be carried out by a third party. Any costs incurred to the Buyer in connection with the supply of defective goods shall bear the Seller.
2. If the same goods are delivered repeatedly defective, the Buyer is entitled after a written notice following the re-supply of defective goods to withdraw from even unrealised supplies.

- If a defect is detected only after the start of production, the Buyer can, in addition to the rules referred to in Article 1, claim compensation for the caused damage, including the compensation for additional costs. In urgent cases, the Buyer can make adjustments himself or have them done by a third party with the fact that these will be recharged to the Seller.
- The parts that are to be replaced by the Seller, must be provided by the Buyer upon request and at his expense.
- The Seller provides guarantee for defects occurring on the goods after receipt by the Buyer, while the warranty ends no earlier than 24 months after the use or installation of the purchased item by the Buyer.
- Guarantee claims do not arise, if the defect was caused by violating the instructions for operation, maintenance or installation, improper use, incorrect or negligent handling and natural wear and tear, as well as any alteration of the subject of delivery made by the Buyer or third parties. If the above is not regulated otherwise, it is governed by the statutory guarantee regulations.

XI. Responsibility

- Unless elsewhere in these conditions is given another adjustment of responsibilities, the Seller is obliged to pay compensation for damage (whether material or nonmaterial) that the Buyer incurred directly or indirectly due to faulty delivery, breach of statutory safety regulations or other legal reasons, which may be attributable to the Seller. If the Buyer has been harmed by a third party (subcontractor), whom the supplier entrusted fulfilment of his obligations under the terms agreed between the Buyer and the Seller, then the Seller is responsible for the damage, as if he fulfilled that obligation himself.
- If there is a claim against the Buyer based on unlimited liability under the law not assignable to third parties, the Seller acts towards the Buyer in the range, in which he would be responsible immediately and indefinitely. To compensate the loss between the Seller and the Buyer shall apply the relevant statutory provisions. The same applies to the direct claim against the Seller.
- The obligation to pay compensation is not feasible, if the Buyer has effectively limited his liability towards his customer in accordance with the relevant statutory provisions. At the same time, the Buyer will try to agree on limitation of liability at the legally possible extent also in favour of the Seller.
- The Buyer's claims are excluded, if the damage arose due to the Buyer as a result of infringement of operation, maintenance and installation, by incorrect or improper use, faulty or negligent handling, wear and tear or faulty repair.
- The Seller is fully responsible for any legitimate measures by the Buyer to prevent damage (e.g. recall order).
- In the event that the Buyer intends to apply to the Seller a claim according to the above provisions, he shall promptly inform and consult it. The Buyer must give the Seller the opportunity to examine the claim case. The contractors agree on the measures to be taken, particularly when negotiating their settlement.

XII. Protective Rights (Patents, Inventions, Industrial Designs, Trademarks, Copyright) and Product Labelling

- The Seller is responsible for ensuring that the goods delivered to the Buyer as a whole or its individual elements do not infringe industrial property rights (of patents, utility and industrial designs) of any third party and that the goods are not burdened by any third party's rights both domestically and abroad.
- The Seller is obliged to inform the Buyer about the utilization of all patents, utility and industrial designs as well as on licensed use of patents, utility and industrial designs from third parties for goods delivered to the Buyer. Used licences must permit the export of goods to all export countries of the Buyer. The Seller waives the Buyer and his customers all claims arising from the use of such protective rights. This does not apply if the Seller produced the supply items according to drawings, models or other comparable descriptions or information submitted by the Buyer and does not know of, or in connection with the products they develop, may not know that he violates property rights.
- The contractual partners undertake to promptly inform on any identified risks of infringement or on alleged violation, and that they will provide a chance to proceed against such claims by mutual agreement.
- The Seller shall inform the Buyer at his request on the use of published own or licensed protective rights and their applications of the supplied goods. Solutions and procedures that are the intellectual property of the Buyer, the Seller must not use for purposes other than production of goods for the Buyer. The Seller must not submit an application to the invention, utility or industrial design for any solution, which is the intellectual property of the Buyer and was handed over to the Seller in documents or arose in connection with the development contract of the Buyer, as well as in consultation with experts of the Buyer. No such solution may even be recognized and rewarded as an improvement proposal. If the Seller has acquired property rights in conflict with the provisions of the preceding paragraph, he is obliged to transfer these rights free of charge to the Buyer without delay.
- The Seller is obliged to put on supplied goods or to the packaging marks or symbols according to the instructions of the Buyer.

XIII. Using the Means of Production and Confidential Data of the Buyer

Models, moulds, templates, patterns, tools and other means of production, as well as confidential data, which the Buyer provided to the Seller or which he fully paid, must not be used without a prior written consent of the Buyer for any third parties' supplies. The Seller undertakes that the goods which are subject to delivery to the Buyer and are specific for use in products of the Buyer, will not sell or provide to third parties without the Buyer's consent. The Seller must inform the Buyer about the place of using tools or plan to move the tools to another production location. The Seller is obliged to inform the Buyer about the

property rights of third parties to tools. In case of intent to sell or otherwise pass the tools, the Seller is obliged first to offer them for sale to the Buyer. Maintenance and renewal of tools is paid by the Seller.

XIV. General Provisions

- The Seller and the Buyer hereby declare that all legislation and standards cited in the General Conditions of Purchase are known to them. The Buyer reserves the right to unilaterally change these General Conditions of Purchase and of such a change he shall inform the Seller in advance. Until the effective date of amendments to the General Conditions of Purchase in such a case, the Seller is entitled to withdraw from the General Conditions of Purchase by form of a written notice of withdrawal delivered to the Buyer.
- The Seller is obliged to respect the principles and comply with the safety and health regulations at work and the environment and allows being trained on them by a competent technician of the Buyer, if required to enter into the premises of the Buyer in connection with the performance of the purchase agreement. The Seller acknowledges the fact, that during delivery of the order he is obliged in case that any person authorized by him to enter the Buyer's production plant, when arriving at the reception to acquaint with the "Safety Instructions for Visitors" valid in the area, confirm them by signing and respect them while moving around the plant. The Seller is obliged to submit to the Buyer a list of the materials needed to perform his operations. The Seller further undertakes to ensure proper disposal of waste from their operations in compliance with applicable laws and regulations for environmental protection, or by agreement with the Buyer will use his functional disposal system for these wastes.
- The Seller shall ensure and prove to the Buyer that his employees and subcontractors are familiar with and work in accordance with legal regulations and provisions regulating health and safety, which are in force as well as the Buyer's directives and the Charter and recommendations of Saint-Gobain EHS, which he has familiarized with and whose current version is available on the www.glassolutions.cz. The Buyer reserves the right to monitor and review measures of the Seller and his subcontractors related to health and safety. Representatives of the Buyer have the option of unlimited access at the suitable time and in an appropriate place to carry out these activities. If the Seller's measures relating to health and safety are in accordance with the laws and regulations listed above, the Buyer shall bear the costs associated with the review, but if the Seller will not meet the requirements of laws and regulations, he shall pay the costs associated with the review to the Buyer. If the Seller or his subcontractors fail to meet the above conditions and do not remove promptly such a failure, the Buyer is entitled to terminate the contract immediately in whole or partly with the fact that such a failure is considered a breach of the contract. The Buyer retains all rights and claims for redress under the law in the case where such a breach or the Buyer's inactivity could be interpreted as a waiver of rights or remedies.
- If any provision of these terms and conditions or other agreements entered into were or became ineffective, the effectiveness of the remaining parts of the contract is not affected. The contracting partners have to replace the ineffective provision by another arrangement, with a similar economic effect if possible.
- For all disputes which may arise between the Seller and the Buyer in connection with the processing of orders, claims, payments for deliveries or interpretation of these General Conditions of Purchase, the locally competent court by the Buyer's plant seat is based in Prague 10 Malešice. In case of disputes, the applicable law is that of the Czech Republic, being exclusive application of the provisions of the Treaty on the International Sale of Goods, which is regulated by the UN Vienna Convention on Contracts for the International Sale of Goods of 11th April 1980. For Sellers based in the Czech Republic is decisive the wording of these Purchase Conditions in Czech language and for Sellers based abroad the English language version.
- In case the price maturity has been agreed for longer than 60 days, the Contracting Parties agree, that they do not consider the agreed maturity grossly unfair to the Seller.
- The Contracting Parties have expressly agreed, that for the contract will not be applied § 1799 and § 1800 of the Civil Code No. 89/2012 - hereinafter referred to as "NOZ" (adhesion contracts).
- The Contracting Parties have expressly agreed, that the changed circumstances or impossibility of performance on the part of one of them is not a reason to withdraw from the contract.
- The GCP are part of the purchase agreement and take effect for the participants on the date of concluding the purchase contract. GCP need not be signed separately by the participants of the contractual relationship, as the Seller had a chance to acquaint with them before entering into the contractual relationship.
- These GCP are effective from 1st October 2014



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