

General Terms and Conditions
(version April 2014)

ALS Czech Republic, s.r.o. ID: 274 07 551, Tax ID: CZ27407551 entered in the Commercial Register at the Municipal Court of Prague, Section C, file 111197:

1. Introductory provisions, explanation of certain terms

1.1. These General Terms and Conditions (hereinafter GTC) are commercial terms and conditions under the provisions of § 1751 of Act No. 89/2012 Coll., Civil Code. For the purposes of these GTC and in the context of providing Services, the provider shall be understood as the company given below in paragraph 1.2, although it will also be designated in the relevant Contract as “contractor”, etc. The customer will then be understood as the party designated with the Provider in the relevant contract, e.g. as “client”, etc.

1.2. The Provider is the company ALS Czech Republic, s.r.o. ID: 274 07 551, Tax ID: CZ27407551 entered in the Commercial Register at the Municipal Court of Prague, Section C, file 111197 (hereinafter also referred to as “Provider”).

1.3. The Provider is a company providing services consisting of conducting chemical, physical-chemical and microbiological analyses and related activities (hereinafter collectively and individually referred to as “Services”).

1.4. The Customer is the person who is the recipient of the Services provided by the Provider.

1.5. The subject of the contractual relationship is the obligation of the Provider to provide Services to the Customer and the Customer’s obligation to pay the Provider the agreed price for them.

2. Contract

2.1 Contract means a contract between the Provider and Customer (hereinafter “Contract”), which is based on:

- a) concluding a written contract between the Provider and Customer,
- b) the acceptance of an order from the Customer and its confirmation by the Provider,
- c) the acceptance of an order from the Customer and the provision of Services by the Provider.

2.2 The Contract represents the entire understanding of the parties and supersedes all previous understandings of the parties with regard to the subject of performance.

2.3 Unless the parties conclude a written contract, the Customer’s orders for Services will be filled using sample orders posted on the website of the Provider www.alsglobal.cz

2.4 In the event the Customer places an order or draft for concluding a Contract other than through the sample orders posted on the website of the Provider, the Provider reserves the right to condition the acceptance of the draft (order) and the provision of Services on the Customer expressly accepting the terms contained in these GTC.

2.5 The content of the contractual relationship (Contract) is not bound or dictated by any general or other terms and conditions of the Customer or third party and such terms and conditions of the Customer or third party in no way affects the contractual relationship (Contract) between the Provider and Customer.

3. Subject of the performance

3.1 The subject of performance is the provision of Services by the Provider to the Customer.

3.2 The particular specification and scope of services will be dictated by the relevant Contract.

4. Order (draft contract)

4.1 For placing orders for Services offered by the Provider, the Customer shall use the order form available on the website of the Provider at www.alsglobal.cz.

4.2 The Customer is obliged to clearly define and specify the desired subject of performance in the order, and to always include in the order at least:

- a) the identification of the Customer by providing the name, registered address and ID (for natural persons, name and last name, address/place of business, date of birth/ID)
- b) identification, specification and quantity of the supplied sample
- c) all known or suspected hazardous properties of the sample
- d) type, specification and scope of Services requested
- e) anticipated term for the provision of Services
- f) agreed prices
- g) contact address, email or fax for confirming orders
- h) name, last name and contact to the person authorized to act on behalf of the Customer

4.3 Unless the Customer expressly indicates in advance and in writing the persons authorized to act/represent it in matters relating to the ordering and provision of Services (including the persons authorized to confirm the provision of Services and to accept items and documents in this context), then the Customer will always be liable in this matter. In the case of any doubt, it will always be expected that the person managing the order for the Customer, providing assistance, material and/or information, accepting the performance, confirming the provision of Services, etc., is a person fully authorized to do so.

4.4 The Customer's order is not binding for the Provider unless it is confirmed (accepted). The Provider is not obliged to accept the Customer's order.

4.5 If the Provider accepts an order with reservation, it shall be considered a counterproposal to be used for creating the Contract after its confirmation by the Customer and delivery to the Provider.

4.6 The order (draft contract) will be confirmed (accepted) if (i) the written draft contract is accepted, signed and delivered to the Customer; (ii) the Customer's order is confirmed and received by the Customer in person or to the office of the Customer or sent by fax or electronic address (email) to the Customer's contact listed in the order; (iii) the sample is accepted.

4.7 Any individual and/or specific conditions or requirements by the Customer for the provision of Services must be specified in the order.

4.8 The Customer is obliged to provide the Provider an email address in the Contract or in writing for the purposes of communicating with the Provider and for the purposes of sending electronic invoices and/or other outputs. The failure to do so entitles the Provider to conduct communications with the Customer and send it invoices and/or other outputs via the email addresses posted by the Customer on its website, etc. Any notifications, transmissions and/or outputs by the Provider sent to these addresses shall be considered properly performed.

5. Rights and obligations of the Customer

5.1 The Customer is obliged to give the Provider samples of material in sufficient quantity for the provision of Services and if necessary give the Provider further samples at its request or else provide a necessary explanation without undue delay.

5.2 In the event the transmitted samples contain or may contain substances that have hazardous properties, the Customer is obliged to state these facts in the order.

5.3 Substances that have hazardous properties (hereinafter "SHP") are explosive substances, substances liable to spontaneous combustion, substances which, in contact with water, emit flammable gases, organic peroxides, poisons, infectious substances, narcotic drugs and psychotropic substances, substances capable of releasing toxic gases and radioactive substances.

5.4 In the event the Customer does not inform the Provider in advance and in writing about the hazardous properties of the dispatched or transmitted samples, the Customer shall bear full responsibility for damages to property and health caused as a consequence.

5.5 In the event the Customer does not warn of the possible presence of SHP in the sample, the Provider is entitled to perform the appropriate tests if the nature of the samples indicates the possible presence of SHP. If such a verification test confirms the presence of SHP in the sample, the Provider may charge the Customer for the test.

5.6 The Customer agrees to provide all necessary information, instruction and/or specification of requirements for the performance of Services so that these Services can be effectively performed by the Provider. If the Customer does not provide this information, instruction and/or specification, or they are provided in a vague manner, the Provider is entitled to perform Services such that they correspond to the usual method of performance.

5.7 The Customer agrees to provide the Provider's employees access to the premises and buildings of the Customer in the event this becomes necessary for the performance of Services. The Customer furthermore agrees to meet the requirements for occupational health and safety on the premises, in the buildings and spaces owned or rented by the Customer.

5.8 The Customer agrees that the Provider can perform, in necessary cases, a part of Services with the help of a subcontractor. The Provider is liable to the Customer to ensure that the performance of Services is as if performed by the Provider alone in the quality required by the Customer.

5.9 Unless agreed otherwise, the Customer assumes the risks and costs associated with shipping samples to the location designated by the Provider. If the Customer uses the services of a third party for shipping samples, e.g. shipping companies, in cases where the Provider agrees to the service, the Customer is obliged to fulfill the shipping conditions specified by the third party. The Customer is furthermore obliged to pack the samples or otherwise follow the procedure of the Provider if such procedure exists.

5.10 The Customer is aware that samples or parts of them can be altered, damaged or destroyed during the provision of Services. The Provider shall not be liable to the Customer or any third party for samples that are altered, damaged or destroyed as such.

5.11 The Customer is obliged to maintain the confidentiality of information on business conditions, on technological and technical procedures, on conditions for testing, and other procedures that are developed and used by the Provider and which it has received during the performance of Services. This does not apply to test results or to reports and evaluations received in the course of the performance of Services.

5.12 The Customer agrees to allow its business name to be used in the list of references of the Provider.

5.13 The Customer may terminate this contractual relationship in the event of a serious breach of contractual obligations by the Provider if a breach of these obligations is not remedied by the Provider within 30 days of a written request from the Customer asking for this remedy.

6. Rights and obligations of the Provider

6.1 The Provider has the right to refuse to perform Services (sample analysis) in the event of the incorrect identification of the sample, which makes it impossible to clearly identify it. The Provider shall perform no analysis unless the sample is delivered. The Provider may refuse to perform the analysis in the event of:

- a) improper sampling
- b) the failure to observe the conditions for shipping and storing the sample (sample degradation)

c) an insufficient quantity of sample material

6.2 The Provider may suspend the performance of its obligations arising from the contractual relationship with the Customer or unilaterally terminate the contractual relationship provided it sends written notification to the Customer if

- the Customer is in arrears with payments to the Provider
- the Customer has materially breached its obligations and has not affected any remedy within 30 days after receiving written notification from the Provider
- the Customer has received written notification of the Provider's intention to terminate the contractual relationship, without providing any reason, with a 30-day notice period

6.3 Unless agreed otherwise, the samples are stored for a period determined by the Provider as follows: liquid samples (water, sediments, etc.) 20 days, solid samples (soil) 90 days; foodstuffs (excluding perishables) and samples that are subject to analysis under good manufacturing practices (medicines, raw materials and intermediaries for producing pharmaceuticals, etc.) 21 days. After the expiration period of storage, the samples shall be disposed of at the expense of the Provider. Samples that were not used for the provision of Services shall be stored or disposed of at the expense of the Customer unless the parties agree otherwise. If these involve samples of a specific category (e.g. narcotic and psychotropic substances) or specific properties (waste specification), the Provider reserves the right to send these samples back to the Customer.

7. Prices and payment terms

7.1 Prices for Services rendered are set out in the price list of the Provider valid on the date of the dispatch of the order form by the Customer. These prices are given in the price list of the Provider without value added tax, which will be added by the Provider in accordance with the law.

7.2 Prices for Services rendered shall be charged by the Provider using a proper tax document. The invoice is due 14 days from the date of issue.

7.3 The Provider reserves the right to increase the price for Services rendered in the event that (i) it is discovered that the transmitted samples contain properties that require additional costs for rendering Services and these properties were not known to the Provider at the time of accepting the sample, (ii) a law is enacted during the course of rendering Services that add additional costs to rendering Services.

7.4 In the event that Services must be suspended or cannot be completed for reasons beyond the control of the Provider, the Provider is entitled to ask the Customer to pay for that portion of Services rendered (provided).

7.5 In the event the Customer is in arrears with paying the price of Services, the Provider is entitled to require the payment of a contractual penalty in the amount of 0.2% of the outstanding amount for each day of the delay starting on the first day of arrears. Any arrangements over the contractual penalty have no effect on the claim for compensation.

7.6 If the Customer does not apply any claims for defects with the Provider in a timely and proper manner or if these claims are not recognized by the Provider as legitimate, it is the obligation of the Customer to pay the entire amount of the Services charged.

7.7 If the Customer enters into liquidation or insolvency proceedings are initiated against the Customer or if the Provider has other reasonable doubts about the ability of the Customer to fulfill its obligations under the Contract, the Provider is entitled to (i) refuse to provide Services, (ii) require prepayment for all other Services (advance) or cash payment, (iii) require security for its claims against the Customer in connection with the provision of Services and/or (iv) suspend/discontinue the provision of Services, (v) withdraw from the Contract.

8. Quality, warranty, liability for defects and damages

8.1 The Provider declares that Services provided by it are rendered with the utmost care under conditions achievable by available methods and technologies and using instrumentation and machinery that respect the current state of scientific and technical progress.

8.2 The Provider is not liable for defects caused by deficiencies in the documentation and/or information provided by the Customer or in the event the sample was not taken by an employee of the Provider, the sample was not supplied in the sufficient quantity mentioned in the offer, or the samples were incorrectly labeled.

8.3 The Customer is obliged to report defects in performance immediately after discovering them and point them out to the Provider in writing. The Customer is obliged to make a written application for the rights stemming from the liability for defects with the Provider immediately after discovering the defects. The provisions governing liability shall be commensurate with the defective work.

8.4 The costs associated with legitimate claims shall be borne by the Provider; the costs associated with claims not found to be legitimate shall be borne by the Customer

8.5 In the event a claim for the defective provision of Services is recognized, the Provider shall agree with the Customer on

- removing the defects within a reasonable time,
- perform additional, i.e. replacement performance (of Services) under the original conditions,
- providing a discount from the price of Services rendered.

8.6. In the event the Customer requires the Provider to provide a Certificate of Analysis (hereinafter CoA) or other related document for a third party, the Provider is not bound by the responsibilities or obligations towards this third party. No third party can apply any claims against the Provider and/or its subcontractors arising from the information in the CoA or other related document.

8.7. The CoA may not be reproduced other than as a whole document without the written consent of the laboratory.

9. Correspondence

9.1 Documents shall be considered delivered as soon as the other party accepts the documents or as soon as the dispatched documents are returned to the party as undeliverable and/or the other party has foiled the attempt to deliver the documents by its conduct or omissions. The effects of delivery shall apply even if the party refuses to accept the documents.

9.2 Each party is obliged to inform the other party without undue delay of a change in its office or the address in the Contract used for correspondence.

10. Force majeure

10.1 The parties are entitled to suspend their obligations arising from the Contract for the duration of circumstances excluding liability (hereinafter "Force majeure"). Cases of force majeure considered in particular are: strikes, epidemics, fires, natural disasters, mobilization, war, insurrection, embargos, a ban on the transfer of foreign exchange, involuntary administrative limits placed on the parties (e.g., revocation of licenses), terrorist attacks, etc.

10.2 Force majeure excludes the right to apply penalties against the other party affected by force majeure.

10.3 The party invoking force majeure must immediately notify the other party in writing and take all possible measures to mitigate the consequences of failing to observe the obligations of the Contract.

10.4 In the event force majeure lasts longer than 45 days, both parties are entitled to terminate the Contract.

11. Resolving disputes

The parties agree to resolve all disputes amicably at first. If they fail to reach an agreement, then the Czech courts will have jurisdiction with the stipulation that, under the provisions of § 89a of Act No. 99/1963 Coll., Code of Civil Procedure, as amended, the court of jurisdiction shall be the court of proximity to the Provider.

12. Final provisions

12.1 The Customer agrees that all the information it provides and all other information shall be processed by the Provider in accordance with the provisions of Act No. 101/2000 Coll., on the protection of personal data.

12.2 The intellectual property rights arising from Services rendered by the Provider for the Customer under a contractual arrangement shall remain the exclusive property of the Provider. The Customer is obliged to refrain from any acts that could undermine the intellectual property rights of the Provider.

12.3 The Contract may be amended or terminated only by agreement of the parties in writing.

12.4 Different arrangements in the Contract shall prevail over the wording of these GTC.

12.5 These GTC govern all contractual arrangements between the Provider and Customer unless expressly agreed otherwise in writing.

12.6 The invalidity or unenforceability of any provision of GTC shall not affect the other provisions, which shall remain in full force and effect.

12.7 These GTC go into force and effect on April, 22nd .2014.

Prague, date April, 22nd 2014.