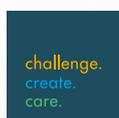


PRODUCTION PLANT  
**KRUPKA**

# General Business Terms and Conditions



**KNAUF**INSULATION

KNAUF INSULATION, spol. s r. o.  
Pod Dolní drahou 110  
417 42 Krupka

## General Business Terms and Conditions

### A. Basic provisions

These General Business Terms and Conditions (hereinafter also referred to as "GBTC") regulate the legal relationships established between KNAUF INSULATION, spol. s r.o., Company ID No. 27242293, with its registered office at Bucharova 2641/14, 158 00 Praha 5, Czech Republic (hereinafter also referred to as "KNAUF INSULATION"), and its registered trading partners (hereinafter also referred to as "Registered Trading Partner" or "Contractor" or "Seller") during the performance of work or the provision of services (hereinafter referred to as "Work Performance") and during the purchase/sale of movable items (hereinafter referred to as "Goods").

### B. Work Performance and Provision of Services

#### I. General Terms and Conditions

1. The Contractor is obliged to perform the subject of work agreed in the respective contract for work or order (hereinafter referred to as "Contract") in accordance with the contractual terms and conditions. The Contractor hereby declares that it has fulfilled all legal and technical preconditions and that it has the capacities and expertise, including knowledge of ČSN (Czech National Standards) and all regulations necessary for Work Performance. It declares that it is familiar with the documentation of KNAUF INSULATION, including all related annexes and documents prepared by other entities related to Work Performance and with all documents provided to it by KNAUF INSULATION on request, and that it is able to professionally perform the subject of the Contract in the prescribed scope (project documentation, tender documentation, inquiry, etc., hereinafter referred to as „Tender Documentation“) according to the assignment, and thus, that it is professionally qualified to perform the subject of the Contract. In addition, the Contractor

declares that it is familiar with all technical, qualitative and other conditions necessary for the correct and timely performance of the subject of the Contract and it understands and acknowledges the binding effect of the Tender Documentation.

2. Without the written consent of KNAUF INSULATION, materials or technologies other than those stated in the Tender Documentation or any amendments to the Tender Documentation according to which the work is to be performed must not be used. In addition, the Contractor undertakes not to use during Work Performance any harmful material, with any material that does not comply with ČSN and applicable legal standards being considered harmful. If the Contractor uses a harmful material, it shall be obliged to remedy the situation at its own expense and risk without undue delay after being asked by KNAUF INSULATION to do so.

3. The Contractor undertakes to follow the instructions of KNAUF INSULATION when determining the method of Work Performance or the method of provision of the service.

4. The Contractor may authorise another person to perform the Work with the prior consent of KNAUF INSULATION (hereinafter also referred to as "Subcontractor"). If the work is to be performed by a third party, the Contractor shall be held liable as if the Contractor performed the work on its own. If a contractual penalty is agreed between KNAUF INSULATION and the Contractor for a breach of the obligation by another person, the Contractor shall be obliged to pay the penalty regardless of Work Performance by a subcontractor.

#### II. Legal compliance

1. The Contractor is obliged to comply with the applicable legal regulations of the Czech Republic and the terms and conditions of the valid internal work permit

KI\_F057 (hereinafter also referred to as “Work Permit”), to perform the work according to the applicable ČSN standards and regulations in force in the EU, technical conditions and within the scope specified in the Contract, Tender Documentation and in accordance with the instructions of KNAUF INSULATION.

2. The Contractor is obliged, at its own expense and risk, to obtain all necessary permits, licences or approvals for the realisation of the work entrusted to it.

3. If requested by KNAUF INSULATION, the Contractor is obliged to submit all necessary certificates of its ability to perform the work or ensure Work Performance.

4. Before entering the place of Work Performance, if it is at KNAUF INSULATION, the Contractor is obliged to provide KNAUF INSULATION with proof of demonstrable training of the Contractor’s staff and Subcontractors in documents KK\_WI0049 Ensuring of HSE by External Company Staff (hereinafter referred to as “KK\_WI0049”), the fire evacuation plan, the fire alarm regulation, and Risk Analysis No. 14 – General Hazards.

### III. Construction Sites, Delivery and Quality Conditions

1. The construction site shall be understood as the space defined in the Tender Documentation for Work Performance (hereinafter referred to as “Construction Site”). The Construction Site equipment shall be subject to the scope stipulated by KNAUF INSULATION. Before taking over the Construction Site, the Contractor undertakes to inspect and examine the Construction Site and the surroundings thereof and become familiar with the shape and character of the Construction Site, including the foundations, the hydrological and climatic conditions, the scope and character of the work, the scope and nature of the materials necessary for the execution and completion of the work and the possibilities of access to the Construction Site and the equipment thereof.

2. If the Contractor uses the premises and warehouses of KNAUF INSULATION, including energy, water, services and security, **KNAUF INSULATION shall be entitled to reimbursement for the provision thereof by the Contractor.** The amount of the reimbursement shall be arranged upon the Construction Site acceptance. The Contractor is obliged to secure its own reading of water and electricity consumption. The initial water meter reading shall be entered in the site diary.

3. The Contractor is obliged to comply with applicable regulations at the Construction Site for the entire duration of Work Performance.

4. The Contractor shall be obliged to have underground lines marked out on the basis of individual statements of underground line administrators, which shall be submitted to the Contractor by KNAUF INSULATION. If the underground lines have already been marked out, the Contractor is obliged to become familiar with the location and routes of any and all potential underground lines in the Construction Site after the Construction Site acceptance, and either to transfer them in a suitable manner or protect them in order to prevent their damage during Work Performance. The Contractor is required to become familiar with the location of all existing utility lines (in particular electricity lines and masts or columns, telephone lines, drainage, water mains, etc.) before launching the earthwork or other work that might interfere with the existing utility lines; the Contractor shall be held liable for any damage to utility lines of any kind caused by the Contractor or its Subcontractors during Work Performance.

5. If it is necessary to place or relocate any traffic signs in connection with the commencement of work at the Construction Site according to road regulations, the Contractor shall perform such work at its own expense and at its own risk.

6. The Contractor shall provide, at its own expense and risk, suitable security of the Construction Site.

7. KNAUF INSULATION is entitled not to start the work takeover procedure if the Construction Site is not tidy, especially if the remaining material is not in order or if the waste generated by construction work has not been removed from the Construction Site.

8. No later than within 3 days following the removal of any and all defects and completing unfinished work according to the acceptance protocol, the Contractor is obliged to vacate the Construction Site and prepare it as stipulated in the Tender Documentation or the Contract. If the Construction Site is not vacated or put into the agreed condition by the agreed deadline, KNAUF INSULATION shall be entitled to have the Construction Site vacated or put into its original condition at the Contractor's cost and risk.

#### **IV. Work Performance**

1. The Contractor is obliged to keep a site (installation) diary (hereinafter also referred to as "Site Diary") and documentation of the Contractor on the work implementation during Work Performance. The Site Diary must be kept in a place accessible on a daily basis by an authorised representative of KNAUF INSULATION so that they can consult it and express their opinion on it at any time during Work Performance. The Site Diary and the Contractor's documentation shall include records of all material circumstances occurring during Work Performance, all facts decisive for the performance of the Tender Documentation or Contract, in particular data on the scope, progress and quality of the work and the reasons for any deviations from the Tender Documentation.

2. Each contracting party is obliged to express their opinion on the records of the other contracting party referred to in paragraph 1 of this article and on the records relating to them within 3 calendar days following the day the record was made and within 1 day in the case of work preventing further progress of work. Otherwise, it is assumed that they agree with the relevant entry.

3. Before the commencement of Work Performance, the Contractor shall submit to KNAUF INSULATION the technological procedure, including the work schedule. During construction, the Contractor shall record any changes occurring during Work Performance in one copy of the Tender Documentation and the Contractor's documentation. The work shall not be considered proper and complete for the purpose of acceptance until the actual condition documentation is handed over to and approved by KNAUF INSULATION. All changes shall be indicated and recorded in a clear and easily comprehensible form.

4. A person authorised by KNAUF INSULATION is entitled to supervise compliance with Work Performance conditions at the Construction Site and to monitor in particular whether the work of the Contractor is performed properly according to the Tender Documentation, according to the Contract, technical standards and other legal regulations and in accordance with the decisions of the public authorities. For this purpose, they shall have access to the Construction Site at any time.

5. The authorised employee of KNAUF INSULATION performing the inspection is entitled to instruct the Contractor's workers to suspend the work if they believe that the safety of the construction, life or health of the workers at the Construction Site are compromised, if there is a risk of serious damage, or if there is a risk of significant deterioration of the quality of the construction, unless immediate remedy by the Contractor is arranged.

6. No part of the work may be covered or made inaccessible without the consent of KNAUF INSULATION; the Contractor must provide KNAUF INSULATION with all the possibilities to inspect and measure any part of the work that is being prepared to be covered or made inaccessible before any other part of the work is placed on it. The Contractor shall notify KNAUF INSULATION at least 3 working days in advance that such a part of the work has been completed or is ready for inspection.

7. KNAUF INSULATION is entitled to require the Contractor to remove from Work Performance a natural person who the Contractor is employing or with whom the Contractor has concluded another contractual relationship if the natural person, despite prior notification, violates the principles of OHS or obligations stipulated by legal regulations or other contractual obligations applicable to the Contractor and its employees, or also the rules of decency and good manners, or if such a natural person is considered undesirable for other serious reasons by KNAUF INSULATION; the Contractor undertakes to comply with the requirement of KNAUF INSULATION without undue delay. A natural person who has been removed from Work Performance must not be authorised again to perform the work without the prior consent of KNAUF INSULATION. The Contractor is obliged to replace the person removed from the Work Performance without undue delay.

8. If the Contractor enters into liquidation, becomes insolvent, is highly in debt or in danger of bankruptcy or if the Contractor breaches more than twice any of the obligations stipulated by the Contract or these GBTC, or if it fails to comply with the individual deadlines for performance agreed between the Parties, this fact shall be regarded as a material breach of the Contract and shall establish the right of KNAUF INSULATION to withdraw from the Contract with the consequences consisting in non-interest of KNAUF INSULATION in additional fulfilment of the obligation. In such a case, KNAUF INSULATION may complete the work itself or via a third party.

## V. Handover and Acceptance of Work

1. The Contractor shall hand over the duly completed subject of the work according to the Contract and the Tender Documentation to KNAUF INSULATION by the date specified in the Contract and KNAUF INSULATION shall accept the subject of work on the basis of a written takeover protocol, unless it refuses to accept it due to defects or incomplete work. The Parties may agree that the

duly completed subject of the work shall be handed over and accepted in duly completed parts. The Contractor is obliged to notify KNAUF INSULATION in writing at least 3 working days in advance when the subject of work or a part thereof is ready for handover/acceptance.

2. Completion of the work shall consist in Work Performance as defined in the Contract or the Tender Documentation.

3. In particular, the Contractor shall submit the following documents to KNAUF INSULATION for acceptance of the subject of work:

- certificates and documents proving the required product properties pursuant to Act No. 22/1997 Coll. on technical requirements for products, as amended
- record of ensuring all other necessary tests, certificates and inspections under ČSN and other potential legal or technical regulations applicable at the moment of Work Performance and work handover which prove the achievement of the prescribed quality and parameters of the work
- documentation of the actual execution of the construction project, which shall include any and all changes to the construction carried out during the construction work – Contractor's documentation
- inspection reports
- operating documents for the operation of the work
- the Site Diary and other documents necessary for a successful approval procedure as well as any other documents determined by special legal regulations, the Contract or the GBTC

## VI. Occupational Health and Safety Principles

1. The work may only be performed by a Contractor who is registered in the internal system of contractors approved by KNAUF INSULATION, i.e., a so-called Registered Trading Partner.

2. The Contractor is obliged to create conditions to ensure occupational health and safety (hereinafter also referred to as "OHS") within the Contractor's documentation, which includes as an integral part the technological or work procedure.

The Contractor is obliged to make sure that all of its employees and employees of its Subcontractors are professionally and medically qualified for the necessary work activities. The valid evidence of professional and medical qualification and fitness of the employees of the Contractor and its Subcontractors must be kept by the Contractor and, upon request by KNAUF INSULATION, the Contractor must present them for inspection without undue delay. If the Contractor fails to demonstrate the professional or medical fitness and qualification of its employees and the employees of its Subcontractors, KNAUF INSULATION shall be entitled to immediately prohibit those persons to perform the work and enter the premises of KNAUF INSULATION or the Construction Site without those facts affecting the due fulfilment of the Contractor's obligations. However, the Contractor shall be liable for damage caused by such violation or neglect of the applicable legal regulations in the field of OHS.

3. The employees and representatives of the Contractor are obliged to follow the instructions of the control bodies of KNAUF INSULATION (employees of the HSE and S department and the technical department). The control body of KNAUF INSULATION (HSE and S department employees) may issue a report on the finding of deficiencies in the area of OHS (a so-called Remedy Notice); the responsible persons of the Contractor are obliged to sign the report and the authorised persons shall express their opinion on the report. If it is found that the employees or representatives of the Contractor have violated the OHS policy, the Contractor shall remedy the situation immediately as instructed by the control bodies or representative of KNAUF INSULATION, including respecting the ban on work or expelling the offenders from the Construction Site. If the Contractor is performing the work at the same time as other contractors

at the Construction Site, they are obliged to provide one another with mutual cooperation in the area of awareness of the risks created and in their elimination (Section 101(3) of Act No. 262/2006 Coll., the Labour Code, as amended), and to further comply with the obligations separately set out in Sections 101 through 105 of the Labour Code.

4. The responsible worker of the Contractor shall inform the respective representative of KNAUF INSULATION of every single suspension and recommencement of the work and, in addition, make a respective entry in the Site Diary or in other Work Performance documents.

5. Every occupational injury suffered by a worker who participates in Work Performance via the Contractor must be immediately reported by the responsible employee of the Contractor to the representative of KNAUF INSULATION so that KNAUF INSULATION has an opportunity to participate in the investigation of the causes and circumstances of the injury. The Contractor is obliged to submit a copy of the accident report to KNAUF INSULATION.

6. The Contractor and the persons performing the work are obliged to prepare an overview of the risks generated by the work activities of the Contractor and those persons during Work Performance prior to the commencement of work

7. in compliance with Section 101 of the Labour Code (it is a part of the mandatory documentation for inclusion of the Contractor in the system of approved Registered Trading Partners) and submit it in writing to all employees who may be affected by such risks. The Contractor shall be held liable for the failure to comply with this obligation.

8. A complete summary of the identified risks of KNAUF INSULATION is available on the KNAUF INSULATION website.

9. The Contractor is obliged to fulfil the obligations arising from document KK\_WI0049, in particular the

following basic safety instructions:

- a) A work permit must be issued before the work commencement. A permit to work may only be issued to a Contractor who is listed in the system of approved Registered Trading Partners of the plant. If it is required to keep a Site Diary, the Construction Site must be handed over in writing in the form of a record in the Site Diary. Without written handover of the Construction Site (in the form of a record in the Site Diary), including information on risks, the Contractor is not allowed to start work.
- b) The Contractor is obliged to ensure that all persons performing work for the Contractor are demonstrably familiar with the technological or work procedures and the initial documentation of the Contractor sent as part of the contractor approval process, which is available on the KNAUF INSULATION website (KKK\_WI0049 Ensuring of HSE by employees of external companies, Fire Evacuation Plan, Fire Alarm Guidelines, and Risk Analysis No. 14 – General Hazards).
- c) Persons performing work for the Contractor may only be present at designated workplaces and in the areas designated for Work Performance. It is strictly prohibited to be present at other places.
- d) If a work group of at least two members is involved, the Contractor is required in advance to appoint a leader of the work group who shall be responsible for the organisation of the work of the work group and for compliance with these GBTC by the Contractor's employees and employees of its Subcontractors. The work group leader must be published by means of a record in the work permit and possibly also in the Site Diary and their phone number must also be provided. If they absent from the Construction Site, their availability must be ensured for the entire duration of the work of the given work group.
- e) The natural persons through whom the Contractor performs the work are obliged to use personal protective

equipment at the place of Work Performance for the entire duration of the activity.

- f) Persons through whom the Contractor performs the work must be visibly marked with a business name or other identification of the entity on whose behalf they perform their activities.
- g) The Contractor is responsible for security, order and cleanliness at the place of Work Performance (the Construction Site) and on access roads and for compliance with the obligations laid down in Government Regulation No. 591/2006 Coll. on occupational health and safety at construction sites, as amended. In particular, the Contractor is obliged to ensure, at its own expense, continuous removal of construction rubble or materials that occur during Work Performance to the agreed places specified in the site handover record. The Contractor is further obliged to remove at its own expense the waste generated during Work Performance. In compliance with Act No. 185/2001 Coll. on waste, as amended, the Contractor is obliged to ensure handling of the waste and the subsequent removal thereof.
- h) The Contractor is required to arrange for all prescribed documents and records arising from the Waste Act. The Contractor shall only assign waste to be disposed of after approval by the HSE and S department. Once requested by KNAUF INSULATION, the Contractor shall submit the records. The Contractor is obliged to demonstrably familiarise all persons with the methods of waste management through which the Contractor performs the work.
- i) If the work might encroach on internal roads or disrupt them, the Contractor shall arrange in advance and in writing with KNAUF INSULATION or directly with the owner, administrator or operator of the roads the work procedure and safety measures and secure the roads according to applicable legal regulations.

j) Connection to utility consumption from distribution lines may only be carried out by the Contractor with the consent of the entity concerned. The same applies when operating equipment or tools are used.

k) Temporary building structures (scaffolding): -The contractor carrying out scaffolding construction (hereinafter referred to as "Scaffolding Constructor") is obliged to carry out scaffolding construction in accordance with the requirements stipulated by applicable legal regulations and the GBTC. It is responsible for compliance with them and for damage caused by its operational activities if the construction of the scaffolding is the subject of the work. Otherwise, the Contractor shall be held fully liable. - All scaffolding must be technically documented, with the responsibility for proper and complete documentation lying with the Contractor. - Before commencing scaffold construction, the Contractor is obliged to make sure that the Scaffolding Constructor and the entities concerned discuss the location of the scaffolding within the Construction Site. - The Scaffolding Constructor shall hand over the completed scaffolding to KNAUF INSULATION in writing only if the completion of the scaffolding is the subject of the work. - The scaffolding shall be disassembled by the Contractor at its own expense and risk.

l) The Construction Site or the place of Work Performance and the areas of the workplaces themselves must be fenced and secured in accordance with Government Decree No. 591/2006 Coll. on occupational health and safety requirements at construction sites, or according to other instructions from KNAUF INSULATION.

10. The Contractor is aware of the obligations specified in the document KK\_WI0049, in particular of the ban on consumption of alcoholic beverages and abuse of addictive substances, the ban on entry to the Construction Site under the influence of these substances and the ban on bringing them to the Construction Site and to the premises of KNAUF INSULATION, the ban on taking photos without

prior approval of KNAUF INSULATION and the ban on smoking on the entire premises of the plant.

11. If requested by KNAUF INSULATION, the Contractor shall ensure that individual natural persons specified by KNAUF INSULATION through whom the Contractor performs the work take a test to ascertain whether they are under the influence of alcohol or other addictive substances. If the Contractor breaches its obligation to ensure the presence of those persons for the respective test, it shall pay to KNAUF INSULATION a contractual penalty in the amount of CZK 10,000 for every single case.

## VII. Fire Protection (FP)

1. The Contractor undertakes to comply with all legal regulations in the area of fire protection in force in the territory of the Czech Republic, in particular Act No. 133/1985 Coll. on fire protection, as amended, and implementing regulations, e.g. Decree No. 172/2001 Coll. implementing the Fire Protection Act, as amended. If those regulations and decrees are violated, the Contractor shall be held liable regardless of whether the obligation was breached by the Contractor or by a person through whom the Contractor performs the work.

2. Employees and persons through whom the Contractor performs the work are obliged to observe the instructions and subject to the powers of the control bodies of KNAUF INSULATION in the area of fire protection (hereinafter referred to as "FP") according to the general and internal regulations of KNAUF INSULATION. The powers of such control body of KNAUF INSULATION shall be exercised by the employees of the HSE and S department and by the authorised employee of the technical department.

3. The Contractor's obligations include, in particular, the following:

- Respect the FP rules, fulfil and comply with legal regulations and technical standards related to FP;

- Define fire protection measures and require that FP is ensured during the performance of activities or operation of buildings with an increased fire hazard;
- Make sure that its employees and Subcontractors are trained in FP pursuant to Decree No. 246/2001 Coll. on fire prevention, as amended, before entering the Construction Site and before starting work;
- Make sure that if some activities are performed in buildings with an increased fire hazard, such buildings are secured in terms of FP (fire extinguishing devices, escape routes, fire supervision);
- Submit to KNAUF INSULATION a written report on each fire occurring in the workplaces handed over to the Contractor. This obligation does not absolve the Contractor of the obligation to report the fire to the competent government bodies;
- Ensure subsequent supervision and supervision during and after completion of welding and other work with an increased fire hazard within the meaning of the Czech National Standard for welding.

## VIII. Environmental Protection

1. The Contractor undertakes to adhere to all legal regulations in the area of environmental protection in force in the Czech Republic. The Contractor shall be liable for any and all cases of breaching those, regardless of whether they were breached by the Contractor or the person through whom the Contractor performs the work.
2. The Contractor undertakes to inform KNAUF INSULATION in advance in writing of all aspects of its activities, services and products that have or may have significant environmental impacts.
3. For Work Performance, the Contractor undertakes to use construction machinery in a satisfactory technical condition, i.e., that does not lead to leaks of operating fluids. Such machinery shall also be equipped with devices for potential leak remediation (sorbents,

collection tanks, etc.), and the persons operating the machinery shall be demonstrably trained by the Contractor in measures to be taken in the event of such accidents to prevent environmental damage or reduce potential consequences.

4. If requested by KNAUF INSULATION, the Contractor shall provide a list of hazardous chemical substances and preparations and copies of safety data sheets handled in the place of Work Performance pursuant to Act No. 350/2011 Coll., on chemical substances and chemical mixtures and on amendment to certain acts (the Chemical Act). The Contractor is obliged to demonstrably ensure training of persons through whom the Contractor performs the work in the manner of their use, in the risks of handling them, etc., according to safety data sheets or written rules.

5. The Contractor undertakes not to damage trees or other vegetation in the place of Work Performance.

6. The Contractor is obliged to allow the authorised employee of KNAUF INSULATION to enter its premises where the Contractor performs the work in order to check compliance with the applicable legislation.

## IX. Quality Warranty, Liability for Defects

1. If, during the work handover, the work shows defects that prevent the work from being used, the work shall not be considered duly completed. If the work contains minor defects and incomplete work that do not prevent its use, the work shall be considered fit for being handed over and accepted. Such minor defects and incomplete work that did not prevent the work from being handed over and accepted shall be removed by the Contractor within 10 days at the latest, unless a different deadline has been agreed by the Parties in writing.

2. The Contractor is responsible for the quality, functionality and completeness of the subject of the

work produced within the scope defined in the Tender Documentation and guarantees that the work will be completed in accordance with the terms and conditions of the Tender Documentation and the applicable ČSN standards, standards in force in the EU, technical conditions, standards and other regulations and directives, at least for the period specified in the Tender Documentation, unless otherwise stated in this article.

3. For the entire work performed, the Contractor provides a warranty (quality warranty) for the period of time specified by the Contractor, for at least 60 months.

4. The warranty period shall start on the day of handover and acceptance of the defect-free work, otherwise upon the removal of all defects and incomplete work identified by KNAUF INSULATION upon handover and acceptance of the work. For the duration of the warranty, the Contractor guarantees that the work will have the properties agreed by the Parties, especially the properties listed in paragraph 2 of this article. Specific properties may also be stated in the Contract.

5. A claim may be made no later than on the last day of the warranty period, with a claim sent by KNAUF INSULATION on the last day of the warranty period being regarded as a claim sent in due time.

6. The Contractor is obliged to start removing a defect that prevents operation within 24 hours after notification of such defect by phone or e-mail. Prior to commencing the work, the Contractor is obliged to issue a written report (or Work Permit) signed by a representative of KNAUF INSULATION (in the absence of the company management, by the shift leader) as well as by the worker authorised to remove the defect. If this contractual obligation is breached, the Contractor shall pay to KNAUF INSULATION a contractual penalty in the amount of CZK 1,000 for each commenced hour of delay.

7. The Contractor shall start removing a defect that does not prevent operation within 180 hours after notification of such defect by phone or e-mail. If this contractual obligation is breached, the Contractor shall pay to KNAUF INSULATION a contractual penalty in the amount of CZK 1,000 for each commenced hour of delay.

8. If the Parties fail to agree on a deadline for the removal of the claimed defect, the defect must be removed within 14 days if the defect does not prevent operation. Defects preventing operation must be removed without undue delay, and the Contractor is obliged to make all efforts to eliminate the defect preventing operation.

9. If a defect preventing operation is claimed, the Contractor is obliged to notify KNAUF INSULATION, no later than within 3 days after the defect is reported, whether the Contractor accepts the claim, what deadline it suggests for the defect removal if the defects have not been removed within this period of time, or for what reasons the Contractor rejects the claim. If the Contractor fails to make the notification within the period specified in this paragraph, it shall be deemed that the claim has been accepted by the Contractor.

10. The costs of removing claimed defects shall be borne by the Contractor, which also applies to disputable cases until a competent court makes a decision on the matter.

11. If the Contractor fails to start removing the claimed defect in a timely manner, KNAUF INSULATION shall be entitled to authorise another person to remove the defect. The Contractor shall pay all costs incurred by KNAUF INSULATION for that reason without undue delay and in full.

12. The Contractor shall remove the claimed defects free of charge, at its own expense and risk.

13. The warranty period shall be suspended for the period of time for which KNAUF INSULATION cannot use the work due to its defects. The Parties shall always confirm having accepted the claimed defect removal in writing.

#### **X. Invoicing, Payment Terms**

1. The Contractor shall become entitled to being paid for the work under the terms and conditions determined by the respective Contract. The Contractor shall issue the invoice on the basis of a list of work performed and material used, and said list must be approved by KNAUF INSULATION unless determined otherwise in the Contract. The final invoice – tax document issued by the Contractor must be supported by a protocol of due and timely handover and acceptance of the work signed by KNAUF INSULATION.

2. The maturity of all invoices – tax documents shall be 60 days following their delivery to KNAUF INSULATION, or 14 days following the delivery thereof with a 3% discount.

3. Invoices containing the essentials stipulated by legal regulations, in particular the Accounting Act and the Value Added Tax Act, shall be regarded as a properly issued invoice. If the Contractor is a VAT payer, each invoice issued by the Contractor shall contain VAT in the respective amount. The amount of retention if one was arranged and the number of the bank account to which the payment is to be made shall always be specified on the invoice.

4. In addition to the above requirements, the Contractor's invoice submitted to KNAUF INSULATION shall also include:

- A copy of the respective order or Contract;
- The work title and the entire number of the order or Contract;
- A confirmed list of performed work approved by a representative of KNAUF INSULATION.

5. The Contractor is required to discuss all work

and/or deliveries beyond the scope of the Tender Documentation, so-called extra work, with KNAUF INSULATION before it performs them. The approved extra work must be recorded in the Site Diary. Work carried out by the Contractor without the consent of the person authorised to act on behalf of KNAUF INSULATION and performed by the Contractor differently than stipulated in the Tender Documentation or the Contract cannot be included on the list of work and deliveries. Such extra work shall be paid only if it is acknowledged by KNAUF INSULATION in writing.

6. Against a receivable of KNAUF INSULATION, a different form of payment, e.g., offset, payment schedule, bill of exchange, etc., is only possible with the written consent of KNAUF INSULATION.

7. KNAUF INSULATION is entitled to unilaterally retain an amount of up to 10% of the total price of the work (excluding VAT) from the invoice for any potential defects or incomplete work identified by KNAUF INSULATION during the work handover.

#### **XI. Contractual Penalties**

1. If the Contractor breaches its obligations specified in these GBTC, KNAUF INSULATION is entitled to charge to the Contractor a contractual penalty in the amount determined by the Rate Book of Contractual Penalties (see Annex 1 to these GBTC), unless specified otherwise in the GBTC or the Contract for Work, and a penalty shall be paid for each individual breach of obligation.

2. If a competent authority (Czech Environmental Inspectorate, Municipal Authority, Regional Authority, etc.) imposes a penalty on KNAUF INSULATION for a breach of the Contractor's obligations as referred to above, the Contractor undertakes to pay the amount of the penalty to KNAUF INSULATION without undue delay after being requested by KNAUF INSULATION.

3. If the Contractor fails to comply with the deadline for Work Performance and the work handover to KNAUF INSULATION or with any of the individual deadlines for the Work Performance, the Contractor shall pay to KNAUF INSULATION a contractual penalty in the amount of 0.5% of the total price of the work for each commenced day of delay.

4. If the Contractor fails to remove defects and incomplete work specified in the Handover and Acceptance Protocol by the agreed deadline, the Contractor shall be obliged to pay to KNAUF INSULATION a contractual penalty in the amount of CZK 2,000 for each commenced day of delay with the removal of each individual defect or incomplete work.

5. It shall apply to any and all contractual penalties agreed between the Contractor and KNAUF INSULATION that KNAUF INSULATION is entitled to claim compensation for damage caused by a violation of the obligation subject to the contractual penalty. In addition, KNAUF INSULATION is entitled to claim damages exceeding the contractual penalty. Circumstances excluding liability shall not affect the obligation to pay the contractual penalty.

## **XII. Temporary Provisions**

1. If requested by KNAUF INSULATION, the Contractor shall submit a copy of the insurance contract concerning insurance of property (stock) and insurance in the case of compensation for damage caused to the work or surrounding equipment of KNAUF INSULATION.

2. The Contractor undertakes to enter into the required insurance contracts without undue delay, no later than within 10 days from the delivery of the request of KNAUF INSULATION, where the limits of the indemnity shall be set by KNAUF INSULATION. If the Contractor breaches the obligation specified in paragraph 2 of this article, KNAUF INSULATION shall be entitled to withdraw from the Contract for Work.

3. The Contractor undertakes to maintain the insurance contract(s) concluded pursuant to paragraphs 1 and 2 of this article for the entire Contract term.

4. The Contractor is responsible for ensuring that the source and supporting documentation (including drawings, technical specifications, etc.) is studied in detail and in a professional manner so that the work can be performed properly and completed in a timely manner.

5. The Contractor is responsible for ensuring that the source and supporting documentation (including drawings, technical specifications, etc.) is studied in detail and in a professional manner so that the work can be performed properly and completed in a timely manner.

## **C. Purchase of Goods and Materials**

### **I. General Terms and Conditions**

1. The Seller is obliged to deliver the Goods agreed in the relevant purchase contract or order (hereinafter also referred to as „Contract“) in accordance with the contractual terms and conditions and the GBTC.

2. The Seller is obliged to hand over along with the Goods all documents necessary for taking over the Goods corresponding to the nature and purpose thereof. Upon request of KNAUF INSULATION, the Seller is also obliged to submit the „Declaration of Conformity“ pursuant to Act No. 22/1997 Coll. on technical requirements for products, as amended.

3. KNAUF INSULATION shall acquire the ownership title to the Goods at the moment of the takeover of Goods.

### **II. Delivery Terms and Conditions**

1. The Seller is responsible for the quality, functionality and completeness of the delivered Goods.

2. The Goods may be delivered in the following ways:
- purchase by KNAUF INSULATION, i.e., ensuring the transport and purchase of the Goods by KNAUF INSULATION;
  - delivery by the Seller, i.e., the Seller shall arrange for the transport of the Goods to the place of delivery specified in the order. The Seller is entitled to transport the Goods via a third party. Transport costs, if any, shall be paid by KNAUF INSULATION along with the agreed purchase price.

### III. Occupational Health and Safety Police

1. The Seller is obliged to comply with legal regulations applying to occupational health and safety. The Seller is obliged to create conditions ensuring occupational health and safety (OHS). The Seller is obliged to make sure that all of its employees and employees of its Subcontractors are qualified and medically fit for the necessary work activities. Valid documents proving the professional and medical fitness of the Seller's employees must be kept by the Seller and, upon request of KNAUF INSULATION, the Seller is obliged to present them for inspection without undue delay.
2. The Seller is obliged to follow the instructions of the control bodies of KNAUF INSULATION (employees of the HSE and S department) as well as managers' instructions. The control body and managers of KNAUF INSULATION may issue a report on the finding of deficiencies in the area of OHS (a so-called Note on Remedial Measure, hereinafter referred to as "NoRM"). The persons under inspection are obliged to sign the record and are entitled to express their opinion therein. If it is found out that the Seller's employees violate the OHS policy, the Seller shall remedy the situation as instructed by the control bodies or representatives of KNAUF INSULATION.
3. The Seller is obliged to fulfil the obligations arising out of the documents KK\_WI0049 and KK\_WI0167 Local

Operational Safety Regulation for Bottling of Substances (hereinafter referred to as "KK\_WI0167"), in particular the following basic safety instructions:

- a) The Goods or materials shall be unloaded by the Seller at a designated place agreed with the representatives of KNAUF INSULATION.
- b) The Seller's workers may only be present in designated workplaces and areas. It is strictly prohibited to be present in other places.
- c) The Seller's workers are obliged to use protective equipment and aids during work based on the identified hazards of the performed activities. All employees of the Seller must be visibly marked with a business name or other identification of the entity on whose behalf they perform their activities.

4. The Seller is aware of the prohibitions listed in the document KK\_WI0049, namely the ban on consumption of alcoholic beverages and abuse of addictive substances, the ban on entering the premises of KNAUF INSULATION under the influence of those substances and the ban on bringing them on the premises of KNAUF INSULATION. It is also forbidden to take photos without the prior approval of the plant director of KNAUF INSULATION or to smoke on the premises of KNAUF INSULATION.

### IV. Požární ochrana

1. The Seller undertakes to comply with all legal regulations in the area of fire protection in force in the territory of the Czech Republic, in particular with Act No. 133/1985 Coll. on fire protection, as amended, and with applicable implementing regulations, e.g., Government Decree No. 172/2001 Coll. implementing the Fire Protection Act, as amended. The Seller shall be liable for a failure to comply with these, regardless of whether the Seller, an employee or a Subcontractor of the Seller has breached the obligations.

2. The Seller, employees and Subcontractors of the Seller are obliged to observe the instructions and subject to the authority of the control bodies of KNAUF INSULATION in the area of fire protection (hereinafter referred to as "FP") according to the general and internal regulations of KNAUF INSULATION for the execution of the given inspection activity.

3. The Seller's obligations include, in particular, the following:

- Respect the FP rules, fulfil and comply with legal regulations and technical standards related to FP;
- Define fire protection measures and require that FP is ensured during the performance of activities or operation of buildings with an increased fire hazard;
- Ensure that its employees and Subcontractors are trained in FP pursuant to Decree No. 246/2001 Coll. on fire prevention, as amended, before entering the Construction Site or the premises of KNAUF INSULATION.

## V. Environmental Protection

1. The Seller undertakes to adhere to all legal regulations in the area of environmental protection in force in the Czech Republic. The Seller shall be held liable for a failure to comply with these regulations regardless of whether the obligation was breached by the Seller or by a person via whom the Seller performed the obligation.

2. The Seller undertakes to inform KNAUF INSULATION in advance in writing of all aspects of its activities, services and products that have or may have significant environmental impacts.

3. The Seller declares that the machinery used for unloading the Goods is in a satisfactory technical condition, i.e., that there will be no leakage of working fluids. Such machinery shall also be equipped with means for remediation of potential leakage (sorbents, collection tanks, etc.) and the machinery shall be operated by persons who were demonstrably trained by the Seller in measures

in case of such accidents to prevent environmental damage or reduce potential consequences.

4. If the delivery of the Goods is associated with a high risk of leakage of hazardous chemical substances or preparations which may threaten the environment, the Seller is obliged to prepare the necessary quantity and types of emergency equipment. The Seller is obliged to discuss with KNAUF INSULATION the place of storage thereof on the premises of KNAUF INSULATION. The Seller is obliged to present the plan of emergency measures to be followed when dealing with possible emergency situations prior to delivery of the Goods for inspection by KNAUF INSULATION.

5. When delivering and unloading the goods or materials, the Seller undertakes not to damage the trees or other vegetation on the premises of KNAUF INSULATION. The Seller is obliged to maintain order and cleanliness on access roads and on the premises of KNAUF INSULATION to the maximum extent possible.

6. The Seller is obliged, at its own expense and risk, to remove waste generated during its activities, i.e., during the delivery and unloading of the Goods. It is obliged to ensure handling of the generated waste and the subsequent disposal thereof in accordance with Act No. 185/2001 Coll. on waste, as amended, and the related implementing regulations.

7. The Seller shall report any inspections, defects, etc., in the area of environmental impacts and environmental protection to KNAUF INSULATION without undue delay.

## VI. Quality Warranty, Liability for Defects

1. The Seller is responsible for the quality, functionality and completeness of the delivered Goods.

2. The Seller provides a warranty period of at least 24 months for the delivered Goods, unless otherwise agreed

by the Parties in writing, or warranty periods set according to the manufacturers' warranty cards.

3. The Seller shall remove the claimed defects free of charge, at its own expense and risk.

4. The warranty period shall be suspended for the period of time for which KNAUF INSULATION cannot use the work due to its defects. The acceptance of removal of the claimed defect shall always be confirmed in writing by the Parties.

5. If the Seller is liquidated, becomes insolvent, is in deep debt, is in danger of bankruptcy or breaches more than twice any of the obligations stipulated by the Contract or these GBTC or fails to comply with the deadlines of individual performance agreed between the Parties, this fact shall be regarded as a material breach of the Contract and shall establish the right of KNAUF INSULATION to withdraw from the Contract with the possible consequence that KNAUF INSULATION will not be interested in additional fulfilment of the obligation.

## **VII. Invoicing, Payment Terms**

1. The Seller shall become entitled to payment of the purchase price solely on the basis of the bill of delivery approved by KNAUF INSULATION, and said bill of delivery shall serve as a source document for invoicing.

2. The maturity of all invoices – tax documents shall be 30 days following the delivery thereof to KNAUF INSULATION.

3. Invoices in which two or more orders are grouped shall not be considered tax documents according to these GBTC and KNAUF INSULATION shall disregard them.

4. Invoices containing the essentials stipulated by legal regulations, in particular the Accounting Act and

the Value Added Tax Act, shall be regarded as a properly issued invoice. If the Contractor is a VAT payer, each invoice – tax document issued by the Contractor shall contain VAT in the respective amount, as well as the possible amount of retention if any was arranged, as well as the account number to which the payment is to be made.

5. Before the expiration of the maturity period, KNAUF INSULATION is entitled to return an invoice without paying it if the invoice does not contain the agreed and/or statutory information or essentials. KNAUF INSULATION must always justify this action.

6. The maturity of the invoice shall be extended by the period of time for which a properly issued invoice is not available to KNAUF INSULATION.

7. As required by KNAUF INSULATION, the invoice must include a copy of the order, purchase contract or handover protocol in question. 8. Against a receivable of KNAUF INSULATION, a different form of payment, e.g. offset, payment schedule, bill of exchange, etc., is only possible with the written consent of KNAUF INSULATION.

## **VIII. Contractual Penalties**

1. If the Seller breaches its obligations under the GBTC and/or the Contract, KNAUF INSULATION is entitled to charge the Seller a contractual penalty in an amount determined by the Rate Book of Contractual Penalties (see Annex 1 to these GBTC), unless specified otherwise in the GBTC, and the penalty shall be charged for every single violation of the obligation.

2. If a competent authority (Czech Environmental Inspectorate, Municipal Authority, Regional Authority, etc.) imposes a fine on KNAUF INSULATION according to applicable legislation for violation of the aforementioned obligations by the Seller, the Seller undertakes to pay KNAUF INSULATION financial compensation equalling the amount

of the imposed penalty without undue delay following the request of KNAUF INSULATION.

3. If the Seller fails to meet the delivery term, the Seller undertakes to pay KNAUF INSULATION a contractual penalty in the amount of 0.5% of the total purchase price for each commenced day of the delay. KNAUF INSULATION shall be entitled to claim compensation for damage caused by the Seller's breach of the obligation to perform the Contract in due and timely manner and even claim damage exceeding the contractual penalty.

4. It shall apply to all contractual penalties agreed by and between the Seller and KNAUF INSULATION that KNAUF INSULATION is entitled to claim compensation for damage caused by violation of the obligation subject to the contractual penalty. In addition, KNAUF INSULATION is entitled to claim damage exceeding the contractual penalty. Circumstances excluding liability shall not affect the obligation to pay the contractual penalty.

#### **D. Common and Final Provisions**

1. For the purposes hereof, strictly confidential information within the meaning of Section 1730 of the NCC and the subject matter of business secrets within the meaning of the provision of Section 504 of the NCC (hereinafter jointly referred to as "Confidential Information") shall include all information on the Parties' activities and intentions that the Parties shared with each other prior to the conclusion of the Contract and will share with each other in the future in written or oral form or through technical devices and which they mark as "Confidential".

Similarly, all information and any data relating to the activities, products, manufacturing processes, business plans and intentions, know-how, accounting and tax facts and pricing strategies of the Parties, the terms of this Contract, programmes and documentation of the Products supported under this Contract and all methods or concepts used therein, as well as such information which is expressly

confidential and protected by the ownership titles of the other Party identified by either Party, shall be regarded as confidential. All Confidential Information shall remain the property of the disclosing Party.

2. The obligation of confidentiality and protection of Confidential Information also applies to third parties to whom the trading partner has entrusted even partial performance. The trading partner shall be held liable for breaching the obligations determined by this article by a Subcontractor as if it had been breached by the trading partner itself.

3. The Parties are entitled to disclose Confidential Information to a third party only with previous written consent of the other Party, and the consent of the other Party may be bound to an obligation of the Party to obligate the third party to treat such Confidential Information as confidential at least in the scope determined hereby; this shall be without prejudice to the Parties' obligations determined by legal regulations applying to the handling of information marked by those regulations as confidential.

4. The following information is not considered Confidential Information:

- a) Information that can be published without breaching this Contract;
- b) Information that has been released from these restrictions through the other Party's written consent;
- c) Information that is publicly available or that has been published otherwise than by either Party having breached its obligations;
- d) Information that the recipient demonstrably knew before the Party discloses it;
- e) Information that is requested by a court, the public prosecutor, or a materially competent administrative body on legal grounds and that is only used for that purpose.

5. Provision of information falling into the category of business secrets or Confidential Information shall not

establish any rights of the other Party to a licence, trademark, patent or any rights to use or distribute copyrighted works or any other intellectual or industrial property rights.

6. The trading partner understands and acknowledges that in connection with the conclusion and performance of the Contract and for the purpose of ensuring communication during the performance of the Contract, the personal data of representatives and contact persons of the Contracting Parties shall be mutually shared in the following scope: name, surname, academic degrees, etc., telephone number and e-mail address.

7. The trading partner undertakes to inform the natural persons whose personal data are stated in the Contract or disclosed to the other Party in connection with the performance of the Contract about such manner of processing of their personal data and, at the same time, about their rights as the data subjects in relation to the processing of their personal data, i.e., to object to such processing at any time.

8. The Parties undertake to keep confidential the personal data they learn or come into contact with in connection with the performance of this Contract. The Parties are also obliged to keep confidential information on all safety measures the disclosure of which might threaten the security of personal data. At the same time, the Parties undertake to ensure that within the contractual relationship established by this Contract, they will apply the principles laid down by Act No. 110/2019 Coll. on the processing of personal data, and in matters not regulated by this Act, they shall comply with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.

The confidentiality obligation shall survive the termination of this Contract.

9. The Parties undertake to ensure that their employees and other persons who come into contact with personal data in connection with the performance of this Contract shall be obligated to fulfil the confidentiality obligation to the same extent as the Parties are obligated to fulfil the confidentiality obligation under this Contract.

10. A breach of the confidentiality obligation under these GBTC shall not include the provision of personal data to a third party which is necessary for the performance of the Contract or fulfilment of an obligation stipulated by law or which has been made with the consent of the data subject.

11. If the provision of performance requires the processing of personal data by a trading partner on behalf of KNAUF INSULATION, the trading partner is obliged to follow the principles determined by the data protection legislation and in particular:

- a) comply with the provisions of data protection legislation;
- b) act only on the basis of instructions of KNAUF INSULATION as the data controller;
- c) always take all appropriate technical, operational, managerial, physical and organisational measures in accordance with the prevailing care, ability, professional conduct and due diligence procedures to protect personal data against unauthorised or unlawful processing and against any unauthorised or unlawful accidental loss or any unauthorised or unlawful accidental destruction or damage and to ensure the security of such personal data;
- d) not to erase, transfer, delete or otherwise process any KNAUF INSULATION data except where it does so in accordance with the instructions of KNAUF INSULATION or the provisions of a particular Contract;
- e) provide KNAUF INSULATION at any time, on the basis of an appropriate prior written notice, with access to the relevant part of the premises, systems, equipment or other materials and facilities where the trading partner or Subcontractors process personal data for the purposes of security inspection and verification;

f) promptly inform KNAUF INSULATION if any breach or suspected breach of this Article occurs or if any personal data has or may have been lost, damaged, used or disclosed to a third party other than in accordance with the Contract.

12. The trading partner is obliged to compensate KNAUF INSULATION for all losses, liabilities, claims, costs, damages and expenses incurred by KNAUF INSULATION as a result of non-compliance with the legal regulations on personal data protection, in particular Act No. 110/2019 Coll. on the processing of personal data, and in matters not regulated by this Act pursuant to Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC and related regulations.

#### **E. Common and Final Provisions**

1. Unless agreed otherwise in these GBTC, the rights and obligations of the Parties as well as the legal relationships arising from these GBTC shall be governed by Act No. 89/2012 Coll., the Civil Code, as amended, and by the legal regulations in force in the territory of the Czech Republic. If the Contractor is a foreign entity, the rights and obligations of the Parties shall also be governed by the Act No. 89/2012 Sb., the Civil Code, as amended, and by the legal regulations in force in the territory of the Czech Republic.

2. The Registered Trading Partner is responsible for thorough familiarisation with the GBTC and the Contract so that it fully understands its rights and obligations. It is also responsible for thorough familiarisation with all internal documentation referred to herein, in particular with KK\_WI0049 Provision of HSE by Employees of External Companies, Fire Evacuation Plan, Fire Alarm Guidelines, Risk Analysis No. 14 – General Hazards, and KK\_WI0167 Local Operational Safety Guideline for Bottling of Substances

(as far as suppliers of raw materials are concerned), as amended.

3. Different provisions in the Contract shall take precedence over the GBTC.

4. The Registered Trading Partner is obliged to demonstrably familiarise all its Subcontractors with the GBTC.

5. The Rate Book of Contractual Penalties forms an integral part hereof.

6. These GBTC shall come into force on 01.1.2020 and supersede all previous provisions and practices. KNAUF INSULATION reserves the right to change the GBTC. In case of disagreement with the wording of the amendment to the GBTC, the Registered Trading Partner is entitled not to accept the amendment within five days of being informed of it. The Registered Trading Partner can be informed of publishing of the full wording of the GBTC on the website of KNAUF INSULATION only by e-mail notification: <http://www.knaufinsulation-krupka.cz/>.

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### BOZP

1. During Work Performance, the Contractor undertakes to use the prescribed personal protective equipment (PPE) (protective helmets, protective goggles, work shoes, working clothes, high-visibility vests, welding glasses, etc.) and aids and to make sure that the protective equipment and aids are used by all natural persons who perform work-related activities within the employment or another contractual relationship with the Contractor during Work Performance; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 2,500 for every single breach.
2. During Work Performance, the Contractor undertakes to ensure that all natural persons performing activities under employment or another contractual relationship for the Contractor are visibly marked with a business name or another clear designation (identifier) of the entity for which they perform their activities; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 2,500 for every single breach.
3. The Contractor shall not accept the presence of a natural person without permission for entry (or without an identification card) at the workplace or Construction Site; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 3,000 for every single breach.
4. The Contractor shall not accept the presence of a natural person not listed on the list of persons for entry to the workplace and Construction Site; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 3,000 for every single breach.
5. During Work Performance, the Contractor undertakes to make sure that all natural persons who perform work under employment or another contractual relationship for the Contractor have valid periodic OHS training, all other prescribed trainings (e.g., operation of lifting equipment, welders, work at heights) and are medically fit to perform their work; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 2,500 for every single breach.
6. The Contractor shall not permit the use of ladders in conflict with Article III of the Annex to the Regulation No. 362/2005 Coll., as amended, or the use of damaged ladders; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 5,000 for every single breach.
7. The Contractor shall not permit the use of damaged or nonconforming machinery, equipment, dedicated technical equipment, electrical equipment, extension cords or other damaged movable property during the Work Performance; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 5,000 for every single breach.
8. The Contractor undertakes to observe the principles of OHS at the workplace (Construction Site) and the obligations stipulated, for example, by Decree No. 591/2006 Coll., as amended, and the GBTC – in particular to ensure order, cleanliness and continuous removal of the construction rubble; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 5,000 for every single breach.
9. The Contractor undertakes to observe the technological procedure or other working procedure agreed between the authorised representatives of the Parties; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 5,000 for every single breach.
10. Within Work Performance, the Contractor is obliged to secure free edges against the fall of persons and material (in particular into a trench, from a height, to hazardous areas above an open depth, etc.) and to further comply with the requirements set out in the Annex to Regulation

No. 362/2005 Coll., as amended; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 5,000 for every single breach.

11. Within Work Performance, the Contractor is obliged to secure and perform trenches and earthwork in accordance with applicable legal regulations, i.e., Regulation No. 591/2006 Coll., as amended; if the Contractor fails to carry out support or embankment or crossings or if it otherwise violates the obligation stipulated for securing the walls of excavations against slumping, securing and performing excavation work, ensuring the arrangement of construction trenches, ensuring stability of the trench walls, and embankment of excavations (Articles II through VI of Annex 3 to Government Decree No. 591/2006 Coll.), the Contractor shall pay a contractual penalty amounting to CZK 5,000 for every single breach.
12. A failure to secure persons during work at heights against falling from heights (personal protective equipment against falling or work positioning system, technical structures, railings, networks), a failure to process the technological (working) procedure, a failure to provide anchoring points in the technological (working) procedure during the Work Performance at the workplace with a risk of falling from height or into a depth shall be considered a breach of the Contractor's contractual obligation under the GBTC and the Contractor shall not accept them; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 5,000 for every single breach.
13. A failure to cover holes leading to a risk of falling through and a failure to secure objects against falling from a height shall be considered a breach of the Contractor's contractual obligation according to the GBTC and the Contractor shall not accept them; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 5,000 for every single breach.
14. The Contractor undertakes to perform work with temporary building structures and scaffolding in accordance with applicable legal regulations (Article VII of the Annex to Government Regulation No. 362/2005 Coll.) and the GBTC; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 5,000 for every single breach.
15. The Contractor shall not accept dangerous or poor methods of binding and transporting loads; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 5,000 for every single breach.
16. The Contractor shall not accept the use of damaged slings; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 5,000 for every single breach.
17. The Contractor shall not permit the entry and movement of workers under the influence of alcohol or other addictive substances at the workplace (Construction Site); if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 5,000 for every single breach.
18. The Contractor undertakes to properly maintain the Site Diary in accordance with the GBTC, which are part of the Contract for Work, and in accordance with Decree No. 499/2006 Coll. on building documentation, as amended; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 5,000 for every single breach of the obligation to maintain the Site Diary in a due manner.
19. The Contractor undertakes to promptly ensure and execute notification of every occupational injury to Knauf, provide cooperation during the investigation of the causes of an occupational injury and report an emergency; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 5,000 for every single breach of the obligation.

## Požární ochrana

1. The Contractor shall not allow the abuse of fire protection devices by natural persons who perform activities under employment or another contractual relationship for the Contractor; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 10,000 for every single breach of the obligation.
2. During Work Performance, the Contractor undertakes to ensure that all natural persons who perform work for the Contractor under an employment or other contractual relationship observe the ban on smoking in the workplace or Construction Site; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 10,000 for every single breach of the obligation.
3. During Work Performance, the Contractor undertakes to ensure that all natural persons who perform work for the Contractor under an employment or other contractual relationship do not use an open flame in the workplace or Construction Site at places (i) where the use of an open flame is prohibited or (ii) where the use of open flame is dangerous or contrary to legal regulations; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 10,000 for every single breach of the obligation.
4. The Contractor undertakes to promptly ensure and execute notification of every fire to the ordering party, provide cooperation during the investigation of the causes and report to the ordering party any and all cases of violation of the obligations in the area of FP regulations; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 10,000 for every single breach of the obligation.
5. During Work Performance, the Contractor is obliged to ensure permanently free access to emergency exits, power distribution equipment, water, gas and fire protection equipment, as well as free escape routes; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 10,000 for every single breach of the obligation.
6. It has been agreed that if the Contractor breaches any other contractual obligations stipulated for the area of FP by (i) the Contract for Work; or (ii) by General Contractual Terms and Conditions of the ordering party; or (iii) by generally binding legal regulations, provided it is not listed under items 1 through 5 of this section of the Rate Book of Contractual Penalties, the Contractor shall pay to the ordering party a penalty of up to CZK 10,000 for every single breach of the obligations.

## Životní prostředí

1. The Contractor is obliged to ensure sorting of waste at the workplace and Construction Site in accordance with the GBTC and in accordance with the Waste Act and its implementing regulations; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 5,000 for every single breach of the obligation.
2. The Contractor is obliged to ensure the removal of waste generated during the Contractor's activities in accordance with the GBTC and in accordance with the Waste Act and its implementing regulations; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 5,000 for every single breach of the obligation.
3. The Contractor shall not allow a failure to ensure sufficient emergency preparedness and equipment during Work Performance; if this obligation is violated, the Contractor shall pay a contractual penalty amounting to CZK 5,000 for every single breach of the obligation.
4. It has been agreed that if the Contractor breaches any other contractual obligations stipulated for the area of the environmental protection by (i) the Contract for Work; or (ii) by General Contractual Terms and Conditions of the ordering party; or (iii) by generally binding legal regulations (especially by the Waste Act, Packaging Act, Act on Protection of Nature and Landscape, Water Act, Energy Act, Act on Chemical Substances and Chemical Preparations, Act on Protection and Use of Natural Resources), provided it is not listed in the Rate Book of Contractual Penalties, the Contractor shall pay to the ordering party a penalty of up to CZK 5,000 for every single breach of the obligations.

## SPOLEČNÁ USTANOVENÍ O SMLUVNÍCH POKUTÁCH

All common provisions on contractual penalties shall apply to all contractual penalties arising from the contractual relationships of Knauf, unless specified otherwise in a particular case.

In addition to the contractual penalty, Knauf is entitled to claim compensation for damage caused by a breach of the obligation which is subject to the contractual penalty. Moreover, Knauf is entitled to claim damage exceeding the contractual penalty. The Contractor is obliged to pay a contractual penalty regardless of the fault and regardless of whether the Contractor has fulfilled the breached obligation.

The contractual penalties under the GBTC shall be payable within five days following the date of the request to pay them. For the purposes of these GBTC, sending the request for payment of a contractual penalty to the Contractor's e-mail address shall be considered delivery of the request for payment of the contractual penalty. The contractual penalties are payable at the registered office of Knauf or by cashless transfer to the bank account of Knauf communicated to the Contractor in the request for payment of the contractual penalty.

If the contractual penalty rate is regulated with the Contractor separately and differently from these GBTC, such regulation shall prevail over the GBTC.

The Contractor undertakes to comply with the legal regulations in force in the territory of the Czech Republic, the contractual obligations and the GBTC during Work Performance; if the Contractor breaches any obligations arising out of them, it shall pay a contractual penalty amounting to CZK 5,000 for every single breach, unless a separate contractual penalty has been imposed on the Contractor. Where the term "Contractor" is used in this document, the Seller shall also be considered the Contractor for the purposes of Part C of the GBTC. Where the term "Contract" is used in this document, the purchase contract shall also be considered the Contract for the purposes of Part C of the GBTC.