

GENERAL BUSINESS TERMS FOR CERTIFICATION OF PRODUCTS

I. Subject of Legislation

- 1 These general business terms (hereinafter as "Terms") are governed by the Czech legal system, above all by the Act of Law no. 89/2012 Coll., of Civil Code and govern the field of assessment of product conformity in compliance with decision no. 768/2008/EC of the European Parliament and the Council and requirements of the standard ČSN EN ISO/IEC 17065.
- 2 Further these Terms govern the rights and obligations of contractual parties, i.e. the certification body of products of VVUU, a.s. company, seat 1337/7 Pikartská, post code 716 07 Ostrava – Radvanice, The Czech Republic (hereinafter Certification Body), and applicant for product certification (hereinafter Client).
- 3 The terms are an integral part of each quotation processed by the Certification Body.
- 4 The Certification Body makes business based on these business terms exclusively. Any amendment shall be made in written form and the Certification Body shall agree with the amendment explicitly. Approval of proposal containing any deviations from the content of the attached business terms lays the groundwork for counterproposal, in case in the course of the negotiation it is not agreed otherwise explicitly.
- 5 All legislative directives and standards which these Terms refer to are used in the version of their amendments and addenda without their quoting.

II. Definitions of Used Terms

- 1 Client is the manufacturer or other person who is responsible to the Certification Body for ensuring of certification requirements, including the product requirements.
- 2 Certification Body is considered as an accredited subject or body of the third party for assessment of conformity, performing certification schemes.
- 3 Product is considered as any article which was manufactured or gained in other way regardless to the degree of its processing; and it is intended for launching to the market as a new or used one; and also the result of the process.
- 4 Process is considered as a set of mutually connected or mutually working activities which change inputs into outputs.
- 5 Certification is considered as the activity of the certification body performed upon client´s request, where, by issuing the certificate, it is verified that the product or the activity connected with its manufacturing or repeated use are in compliance with the requirements listed in the certificate.
- 6 Certification scheme is considered as the system of certification referring to specific products where there apply identical specific requirements, specific rules and the same processes.
- 7 Surveillance is considered to be a systematic repetition of activities of conformity assessment as a base for maintaining the validity of the certificate. If the surveillance is a part of applied certification scheme, it is performed:
 - By means of product testing or inspection of a sample from free market or production,

- By means of assessment of production, supplying and performance of services or production, or function of the process,
 - By means of audits of management system in combination with random tests or inspections.
- 8 Requirement on product is considered as such requirement which refers directly to the product and which is specified in legal directive, technical document or technical standard given by the certification scheme.
- 9 The scope of certification is considered as identification of:
- product for which the certification is granted,
 - applied certification scheme,
 - legal directives, technical documents and technical standards, including the date of their issuance, according to which the product conformity is assessed.
- 10 Subcontractor is considered as a qualified expert subject who is authorized to perform some partial activities of conformity assessment based on assignment of the Certification Body.
- 11 Price quotation is considered as a price calculation processed by the Certification Body for conduct of inspections, findings and product tests, which are determined by the certification scheme.
- 12 A contract is considered to be a price quotation complemented by these Terms.

III.

Contract and Conditions for Concluding of Contract

- 1 The certification body performs its activities according to these Terms exclusively on the grounds of the contract concluded with the Client.
- 2 Procedure for contract concluding and contractual relationships, as well as connected relationships, between the Certification Body and the Client are governed by the Czech legislation, especially by the Act of Law no. 89/2012 Coll., of Civil Code.
- 3 Subject of the contract is performance of impartial assessment of the Client's product by the Certification Body and demonstration of fulfilment of determined requirements on the product.
- 4 Processing of the contract is based on Client's application for product assessment.
- 5 The contract on product certification (hereinafter as the Contract) between the Certification Body and the Client is concluded on the basis of these Terms, exclusively in case of delivering of the price quotation having been approved by the Client, while at the same time the price quotation is not considered as the counterproposal of the Client by the Certification Body. The approval of price quotation shall be delivered to the address of the Certification Body given in the quotation, through the period of validity of this price quotation.
- 6 To exclude dubiety it is stated that, unless the price quotation states otherwise, the Contract will be concluded even in case of delivery of the approved price quotation in the given period by fax or e-mail of the Certification Body which is presented in the quotation.
- 7 The client approves the quotation by signature of a person authorized by the Client, this approval refers exclusively to the activities listed in the price quotation.

IV.

Right and Obligations of Contractual Parties

- 1 Certification Body
- 1.1 Certification Body shall perform activities listed in the price quotation in the determined period of time.



- 1.2 Certification Body shall proceed impartially with professional care in compliance with requirements of "MANUAL OF MANAGEMENT SYSTEM OF THE CERTIFICATION BODY FOR PRODUCTS (PŘÍRUČKA SYSTÉMU MANAGEMENTU CERTIFIKAČNÍHO ORGÁNU NA VÝROBKY) in VVUU, a.s." and processes for certification and conduct impartial assessment of the product.
 - 1.3 If the product meets all requirements which are defined in the legal directives, technical documents and technical standards determined by the certification scheme, the Certification Body shall issue an assessment report and certificate for the product.
 - 1.4 If the product does not meet all the requirements defined in the legal directives, technical documents and technical standards determined by the certification scheme, the Certification Body shall issue an assessment report for the product where shall the conclusions be listed having resulted in the fact of not issuing the certificate.
 - 1.5 In the course of validity of the certificate, Certification Body has the right to conduct surveillance of the certified product in determined time intervals, in case that the surveillance conditions are defined in the certificate or the assessment report. The client bears the costs of the surveillance.
 - 1.6 The certification body has the right to cancel Client's request for product assessment unless the contract is concluded within 12 months from its submitting or if the client does not cooperate with the Certification body on such a level that the process of product assessment could be started.
 - 1.7 If the client ceases to meet the conditions of the certification scheme or the conditions of certification issue, the Certification body has the right to withdraw the certificate. In such a case the client shall return the original of the issued certificate within 14 days from the notice.
- 2 The Client
- 2.1 The Client shall submit a representative product sample for certification and ensure meeting of all conditions listed in the price quotation.
 - 2.2 If needed, the Client has the right to require further information on the course of the certification from the Certification Body, especially the information on certification scheme to be used and certification rules and the Certification Body shall provide the information.
 - 2.3 In case of conformity assessment as pursuant to government directive or directly applicable EU directives, the client shall declare that they have not ordered identical service with any other notified body.
 - 2.4 Concerning the certified product, the Client is further obliged to:
 - ensure that the certified product meets the requirements specified in legal directives, technical documents or technical standards determined by the certification scheme, including implementation of relevant amendments,
 - provide the Certification Body with information on changes of the certified product without any delay,
 - provide the access of the Certification Body to the certified product to conduct surveillance,
 - enable the Certification Body to verify the implementation of changes, in case they are made,
 - keep records and documentation on certified product for needs of its assessment and surveillance,
 - provide the Certification Body an access to the documentation and records on the product and access to the spaces where the product is manufactured and stored, for the needs of surveillance conduct,



- provide the Certification Body with access to the staff participating on the manufacturing process and access to the suppliers of the raw materials needed for the manufacturing of the certified product, in the course of surveillance.
 1. The access is considered mainly as the possibility to perform a personal interview with the staff taking part on manufacturing of the certified product and inspection of their personal documentation concerning their professional qualification and completed trainings.
 2. Further, the access is considered as providing of contact information (phone number, address, names of contact persons) of relevant suppliers of raw materials and materials needed for manufacturing of the certified product.
- investigate all complaints concerning the certified product,
- enable participation of observers on product assessment or surveillance, if it is possible,
- issue statement concerning the certification in compliance with the scope of certification,
- restrain from use of the product certification in such a way which would discredit the Certification Body; and restrain from issuing of statement concerning the product certification, which the Certification Body could regard as misleading or unauthorized,
- in case of suspension, withdrawal or termination of certification, restrain from use of all advertising and other materials which contain any reference to the certification and could make the impression of valid product certification with third parties; and proceed in compliance with requirements of the certification scheme,
- in case of providing the copy of certification documents to other persons, ensure these documents are reproduced as a complex or as it is determined in the certification scheme,
- when referring to the product certification in media as in documents, brochures or commercials or others, ensure meeting the requirements of the Certification Body and requirements determined by the certification scheme,
- meet the requirements that are defined in the certification scheme referring to the use of conformity marks and information connected with the product,
- inform the Certification Body on facts when the certified product has been the cause or its use has been the cause of threatening of life or health of persons or damage on property and environment, doing so in written form without any extra delay
- keep records on all reported complaints which concern the conformities with certification requirements and upon request present these records to the Certification Body, and
 1. take suitable measures regarding these complaints and any other deficiencies identified with products, which effect the compliance with certification requirements,
 2. make documentation of the taken measures,
- without any extra delay, in writing, inform Certification Body on changes that may affect capability of the Client to meet the certification requirements, including mainly but not exclusively these:
 1. legal, commercial, organizational status or ownership,
 2. organization and management,
 3. modification of product or manufacturing process,
 4. contact address and manufacturing sites,

5. significant changes in quality management.

V. Inspections, Findings and Tests

The range of inspections, findings and product tests shall be determined by the Certification Body in the price quotation.

VI. Location and Lead Times

- 1 If not stated otherwise in the price quotation, the location of performance is the seat of VVUU, a.s.
- 2 In cases of tests performed out of the seat of VVUU, a.s., which can be subcontracted, the Client shall be informed on their range and location in the price quotation.
- 3 Particular lead time is stated in the price quotation.

VII. Price and Payment Conditions

1. Price for the activities of the Certification Body is determined by the Act of Law no. 526/1990 Coll., on prices as amended. As contractual price, and it includes the activities listed in the price quotation.
2. The Certification Body shall charge performed activities according to the contract by a tax document – invoice which shall be delivered to the Client as soon as the activities listed in the price quotation have been performed. The order may be invoiced in its complex, or as partial invoicing of the activities performed by the date of invoice issue.
3. The invoice, if the contractual parties do not make other written arrangement, shall be delivered to the Client´s address given in the price quotation.
4. The due date of the invoice is identified in particular price quotation. The due date period starts by the day of delivery of invoice to the Client´s address.
5. The invoice shall be paid by the Client in the due period by bank transfer to the bank account of VVUU, a.s., identified in the invoice, possibly in cash at the address of VVUU, a.s. seat.
6. The results of assessment, i.e. the assessment report and, in case of certification, also the product certificate, shall be sent to the client within 3 work days consecutive after reimbursement of the invoice, i.e. in case of bank transfer after the day of crediting of the relevant sum in the bank account of VVUU, a.s.
7. Upon consideration, the Certification body has the right to require advance payment of all the price or its part of the order stated in the contract, by a pro-forma invoice.

VIII. Contractual Interests and Penalties

For the case of Client´s payment delay with reimbursement of the invoiced price for performed activities according to the contract, the contractual parties stipulate the interest on delay of 0,03 % of the due sum for each day of delay.

IX. Non-disclosure

1. All information provided with regards to performance of the activities of the Certification Body according to the contract or in provided, gained or created in connection with the contract, are

considered as confidential by both contractual parties and may be communicated to third parties exclusively on the basis of previous agreement of the other party.

2. Provision stated in point 1 of this clause does not refer to the obligations of the Certification Body to maintain and upon request provide information on the certified product, in this scope:
 - name of product,
 - name of client and manufacturer of the product,
 - certificate number including its amendments,
 - date of certificate issuance and validity.
3. Provision stated in point 1 of this clause also does not refer to the obligation of the Certification Body to provide information on certified products to the authorities performing activities connected with fulfilling of conditions of their accreditation and/or conditions listed in the Act of Law no. 22/1997 Coll. or Act of Law no. 90/2016 Coll., in the scope of authorization of VVUU, a.s. to assess conformities of the determined products.
4. Provision stated in point 1 of this clause also does not refer to providing of information, which the Certification Body is obliged to provide about the certified product on the basis of relevant legal directive. In this case, if the legal directive does not prohibit it, subsequently the Certification Body shall inform the Client about the scope of provided data.
5. In case of infringement of the obligations according to point 1 of this clause, the contractual party who suffered damage or harm, has the right of compensation of the damage or harm towards the other contractual party.

X.

Prorogation Clause

All disputes arising from this contract concluded between Certification Body and the Client and referring to this contract; and the disputes on legal effect of this contract as well as consequences of its ineffectiveness shall be adjudicated by general courts of the Czech Republic, whereas local competent court shall be the general court of the Certification Body.

XI.

Termination of Contract

1. Each contractual party has the right to terminate the contract. Prior to contract termination the contractual parties shall settle all mutual financial and other obligations following from activities having already been performed in the scope stated in the approved price quotation. In such case the Certification Body has the right to invoice the sum of 2 500 CZK excluding VAT to the Client, which is connected with performing of necessary administrative acts of the order.
2. The Certification Body has the right to terminate the contract also in the case when repeatedly the Client does not reimburse duly and in due date contracted payment or does not provide required documentation, information and data and does not provide necessary samples for tests in the stated time; potentially also in case the client does not provide other cooperation essential for activities of the Certification Body. In case of disproportionate prolongation of fulfilment from the Client's side, and thus infringement of the commitment of cooperation, the Certification Body has the right to invoice entire costs and sum connected with administrative acts of the order to the Client, see point 1 of this clause.

XII.
Final Provisions

1. The contract on certification is concluded for certification of the product listed in the price quotation. As such it may be amended and added exclusively by written amendments, i.e. approved price quotations for additional activities which are essential for conduct of certification
2. The contract comes in force and effect on the day of signature and is concluded for the time period stated in the price quotation.
3. By approving the price quotation, the Client confirms that they are acquainted with these General Business Terms for Certification of Products, that the Client agrees with the Terms and shall respect them.

In Ostrava, April 1, 2022