

General Business Terms and Conditions

WPC - WOODPLASTIC a.s.

1. BASIC PROVISIONS

- 1.1 Kindly read these general business, delivery and complaint terms and conditions (hereinafter the **“GBTC”**) of our company, WPC - WOODPLASTIC a.s., Business Identification No. 24176851 (hereinafter **“we”** or **“WPC”**), carefully before purchasing, using or installing any WoodPlastic® products (WoodPlastic® boards hereinafter the **“Product”** or **“Products”**). These GBTC are an integral part of the offer and purchase of the Products, and define in particular the process of sale, as well as the rights and obligations of the parties under the Warranty specified below.
- 1.2 In these GBCT, **“Purchaser”** means you as the person with whom we enter into a purchase agreement for the Products.
- 1.3 You can contact us at our warehouse at Bukovany 181, Týnec nad Sázavou, Postal Code 257 41 (hereinafter the **“Warehouse”**), or at the following phone numbers: 317 700 556, 321 001 525, 602 158 279, or by email at objednavky@woodplastic.cz. You can also use our webpages, www.woodplastic.cz, www.mojeterasa.cz.

2. ORDERS

- 2.1 You can order the Products using any of the following ways:
- a) Through the e-shop. After you place your order, we will immediately send you a pro-forma invoice, unless the Product is to be delivered on a collection on delivery basis. A registration is required for any purchases through the e-shop.
 - b) By an email message which must contain an exact specification of the Products, billing address and delivery address, if different, e-mail address and telephone number. In this case, we will send you an order confirmation; kindly complete and sign same. As soon as we receive a duly signed order confirmation (including a stamp in case of legal entities, if they use a stamp), we will send you a pro-forma invoice.
 - c) By telephone. In such case, please provide an exact specification of the Products, billing address and delivery address, if different, e-mail address and telephone number. In this case, we will send you an order confirmation; kindly complete and sign same. As soon as we receive a duly signed order confirmation (including a stamp in case of legal entities, if they use a stamp), we will send you a pro-forma invoice.
 - d) In person at our Warehouse.
- 2.2 The agreement shall enter into effect when we deliver the pro-forma invoice, which for us constitutes a confirmation of the order. Where an order is placed in person, the agreement shall be concluded by virtue of your consent to our offer.

- 2.3 We supply individual pieces, running meters, palettes and packs. We will inform you what quantity of demanded Product can be supplied.
- 2.4 Pallets with the Product come in original packaging from the manufacturing plant (i.e., usually wrapped in foil on scantling). Smaller-size deliveries are wrapped on a case by case basis, depending on the quantity of the Products to be delivered.
- 2.5 The prices of all our Products (materials, accessories) in CZK and EUR can be found in the pricelist. VAT is charged in accordance with applicable legal regulations. The price in case of non-standard requirements (e.g., dimensions, color) is determined on a case by case basis, pursuant to the order.

3. PAYMENT TERMS

- 3.1 We require payment in advance, or payment in cash upon acceptance of the Products (it is possible to pay by card). Advance payments are made pursuant to pro-forma invoices issued pursuant to the orders.
- 3.2 The final invoice shall be issued as at the moment of collection of the Products.
- 3.3 In exceptional cases, and subject to prior individual agreement, certain small individual pieces of Products can be sent on a collection on delivery basis.
- 3.4 Any and all bank fees related to the payment of the pro-forma invoices shall be borne by the Purchaser.
- 3.5 Other cases shall be subject to agreement with the relevant Purchaser.

4. DELIVERY TERMS

- 4.1 Delivery periods of the Products depend on the Product type and order volume.
- 4.2 Delivery periods are tentative, unless we expressly confirm them as binding.
- 4.3 We reserve the right to a short-term extension of the delivery periods in exceptional cases. We will notify any changes in advance and in good time.
- 4.4 Where Products of an individual (i. e. usually not offered) length are ordered, we will notify the delivery date to you in advance, depending on the quantity and type of the Products. After the pro-forma invoice is paid, the required Products shall be manufactured. The tentative delivery period shall be counted from the date of receipt of the advance payment.
- 4.5 Collection options are listed below. Unless agreed otherwise, we always use INCOTERMS (2010) EXW:
 - a) You can collect the Products from our Warehouse, or send your carrier to collect same from the Warehouse. If the Products are in the Warehouse, you can purchaser them and collect them at the same time.
 - b) You can use an external carrier for collection of the Products. We would be happy to give you a rough shipping quote on request.
 - c) In exceptional cases, the Products can be sent using a carrier services, but always subject to prior agreement.

- 4.6 Clean and undamaged Products in original packaging can be returned within 21 calendar days from the passage of the risk of damage to the Products. Returns are not accepted for custom orders. Returns of Products in wholesale trade (i.e., sale to our long-term and/or certified partners, with whom we may have special conditions in place) shall be subject to a one-off administrative fee of CZK 250, without VAT. The purchase price of the Products, minus the administrative fee pursuant to the preceding sentence, shall be remitted into your account within 45 days from the issuance of the credit note.
- 4.7 Please note that if you have not ordered transport from us, we shall not be liable for any damage arising in transit. Any potential claims must be asserted against your carrier. The same shall apply if we have provided you with contact information of an external carrier. We recommend you draft a protocol on the damage and take photographs to document same.
- 4.8 After the Products are accepted by the Purchaser and/or entrusted to the Purchaser's carrier for transport, legal liability and risk of damage to the Products shall transfer to the Purchaser.
- 4.9 Any discrepancies in the quality or kind of Products supplied and Products ordered must be notified to us in writing within three (3) days from the passage of risk of damage to the Purchaser.

5. DEFECTS AND WARRANTY

- 5.1 We shall be liable for defects in the Product at the moment of passage of risk of damage to the Purchaser, even if such defect is only manifested after that moment. Where Products are sold at discounted prices, we shall not be liable for defects on account of which the price was discounted. We shall not be liable for defects of Products you must have discovered by paying regular attention at the conclusion of the agreement.
- 5.2 The Purchaser shall be obliged to examine the Products as soon as possible after the passage of risk of damage to the Products to the Purchaser and satisfy itself as to the properties and quantity of the Products. Where the Purchaser fails to do so and fails to notify the defect in a timely manner, the Purchaser's rights on account of the defects shall be extinguished.
- 5.3 We provide warranties of the following kinds:
- a) Extended warranty of 25 years for home use; and
 - b) Extended warranty of 10 years for commercial use;
 - c) Basic warranty of 5 years;
 - d) Basic warranty of 2 years;
- (all types of warranties hereinafter the **“Warranty”**; terms and conditions of the Warranties are specified in detail in Article 6 of these GBTC).
- 5.4 We only provide a Warranty for the Products expressly listed for each Warranty type, always to the extent and for the use specified for the relevant Warranty type. On such

terms, the Warranty shall apply for the period of time specified for the relevant Warranty type (the **“Warranty Period”**).

- 5.5 The Warranty is provided to the Purchaser. The Warranty may be transferred from the Purchaser to another person (in particular a new property owner), provided that all the documentation required for the exercise of the Warranty is delivered.
- 5.6 If the Product fails during the applicable Warranty Period, we shall replace the defective Product and/or its part during the relevant Warranty Period.
- 5.7 We shall provide a Warranty, i.e., replace a defective Product and/or its part only if the correct assembly, use and maintenance procedures have been observed. The Product must be used above ground and in accordance with installation and maintenance instructions issued by WPC (the **“Instructions”**).
- 5.8 The instructions can be obtained from your WoodPlastic® sales representative or your WoodPlastic® supplier, downloaded at <http://www.woodplastic.cz/o-materialu/ke-stazeni/> or obtained in writing at our Warehouse.
- 5.9 For the purposes of the Warranty, **“commercial use”** shall mean the use of the Product in the pursuit of business, while **“home use”** shall mean any use of the Product other than commercial use.
- 5.10 The Warranty does not cover and apply to costs of assembly, removal of the Product deemed defective by the Purchaser (hereinafter the **“Complaint Item”**) or reassembly of the Products supplied following the complaint.
- 5.11 When we supply a replacement Product, we shall be entitled to request that the defective Product be returned at the Purchaser's cost.
- 5.12 The Warranty Period shall commence running from the moment of passage of risk of damage to the Product to the Purchaser (Section 4.8 of these GBTC, hereinafter the **“Warranty Start”**), and shall apply for the period defined for the relevant Warranty type (the **“Warranty Period”**).
- 5.13 A Purchaser who has claimed a price discount shall not be entitled to seek compensation for lost profit caused by a lack of Product properties to which such discount does not apply.

6. WARRANTY TYPES

Extended warranty of 25 years for home use

This warranty (hereinafter the **“Extended Warranty 25 Years”**) for the Products listed below shall be twenty five (25) years from the Warranty Start of the warranty for home use, and it shall mean that the Products shall not suffer from damage caused by rot, dry rot and insects.

Extended Warranty 25 Years shall apply to the following Products: Decking Woodplastic® Premium, Max, TOP, Ambiente, Cladding ECO, Fence Slat 90, Fence Slat 120, Finishing Boards Woodplastic®.

Extended warranty of 10 years for commercial use

This warranty (hereinafter the **“Extended Warranty 10 Years”**) for the Products listed below shall be ten (10) years from the Warranty Start. The Extended Warranty 10 Years shall apply

to Products purchased and/or installed for commercial use, or used as such, and it shall mean that the Products shall not suffer from damage caused by rot, dry rot and insects.

Extended Warranty 10 Years shall apply to the following Products: Decking Woodplastic® WoodPlastic® Premium, Max, TOP, Ambiente, Cladding ECO, Fence Slat 90, Fence Slat 120, Finishing Boards Woodplastic®.

Basic warranty of 5 years

This warranty (hereinafter the “**Basic Warranty 5 years**”) for the Products listed below shall be five (5) years from the Warranty Start. The Warranty Period of 5 years shall apply to Products purchased and/or installed for home use and commercial use, or used as such. The relevant Products shall retain their initial properties throughout that period.

Basic Warranty 5 let shall apply to the following Products: Decking WoodPlastic® Premium, Max, TOP, Cladding ECO, Fence Slat 90, Fence Slat 120, Finishing Boards Woodplastic®.

The Basic Warranty 5 years shall further apply to all WoodPlastic® fastening material for the relevant Products, as listed at www.woodplastic.cz.

Basic warranty of 2 years

This warranty (hereinafter the “**Basic Warranty 2 years**”) for the Products listed below shall be two (2) years from the Warranty Start of the Warranty for home use and commercial use. The relevant Products shall retain their initial properties throughout that period.

Basic Warranty 2 years shall apply to the following Products: Decking WoodPlastic® Ambiente, Finishing boards Woodplastic® Ambiente.

The Basic Warranty 2 years shall further apply to all WoodPlastic® fastening material for the relevant Products, as listed at www.woodplastic.cz.

7. LIMITATIONS ON WARRANTY

- 7.1 We only provide the above Warranty. We do not accept any warranties made or promised in respect of the Products by anyone else. We shall be entitled not to recognize claims under warranties extended by anyone else. The warranty pursuant to these GBTC constitutes the sole and entire warranty and obligation of WPC in connection with the Products.
- 7.2 Kindly note that we shall not be liable by any damage caused by anyone neglecting their duty of prevention, in particular in relation to a damaged and/or defective Product. In particular, we shall not be liable for any damage caused by a further use of a damaged and/or defective Product.
- 7.3 The sole right of the Purchaser and the sole liability of WPC with regard to any complaint in connection with the Products, including any complaints arising from marketing, purchase, assembly, use, storage, possession or maintenance of the Products, or from complaints on account of the Products failing to meet the above-guaranteed operating properties, is and shall be the replacement of Complaint Item with a new Product.
- 7.4 The replacement Product shall be as close as possible to the original Complaint Item in terms of color, design and quality. We shall make the choice and final decision. We are

unable to guarantee that the replacement will be identical as color and design may be subject to change and stock may run out. The Purchaser agrees with the use of such fastening material as will be deemed adequate by us for the re-assembly of the new Product supplied, notwithstanding the method used for the installation of the Complaint Item.

7.5 We shall not be liable for any damage caused by the use of the Products or damage arising directly or indirectly due to any defect in the Product, including any damage in the form of loss of value and/or loss of use or enjoyment of any real property or any part thereof.

7.6 We shall never be liable for any situation caused, or highly likely caused, by:

- a) incorrect assembly of the Products and/or non-compliance with Instructions, as well as applicable norms or building standards, including inappropriate load-bearing construction, anchoring, ventilation or grouting;
- b) use of the Products above and beyond regular use, or as a result of an application not recommended or not approved by the Instructions, as well as applicable norms or building standards, or resulting from deliberate damage or damage caused by gross negligence;
- c) movement, deformation, collapse or settling of soil or load-bearing construction onto which the Products are installed;
- d) faulty or defective construction of covering, with resultant water infiltration caused by incorrect installation, craftsmanship, maintenance or repair;
- e) any act of god (including floods, hurricane, tornado, wind, earthquake, lightning, hail, etc.);
- f) discoloration, fading, staining or coloring caused fully or in part by the growth of mold or other fungi on the surface of the Product, settling of insects on the surface of the Product, organic substances, metal oxides or particles (including rust or corrosion of any fastening material), contamination, other air or other pollutants, foreign substances, such as fats and oils, chemical substances (including those found in cleaning products) or regular weathering (defined as natural efflorescence, sun exposure, climatic and weather conditions causing any colored surface to fade, peel away or become dirty and spotted over time);
- g) damage caused by a criminal act or an act having the nature of a crime, accident, fire, heat exposure through cooking appliances, or reflective surfaces;
- h) the use of paint, stains, surface treatments or other chemical substances, including cleaning products or pesticides;
- i) fading, peeling or other deterioration of any paints, stains or other coating used on the Products;
- j) climate change, change of environmental conditions, or any causes outside our control;
- k) variations or change in the color of the Products - color stability - the Products contain a UV screen. Nevertheless, these are products from wood, and color

variations may therefore appear over time as a result of uneven exposure to UV radiation and humidity;

- l) process of maturing of the wood component;
- m) occurrence of water dust stains;
- n) occurrence of static electricity - under certain conditions, persons moving on a terrace from WPC material may encounter bursts of static electricity. This is a common physical phenomenon occurring in most materials containing plastic;
- o) unprofessional treatment, maintenance, storage, misuse or neglect of the Products by the Purchaser and/or user;
- p) regular wear and tear;
- q) physical impact;
- r) any and all fastening material not supplied or approved by us. We provide no guarantee with regard to any fastening material other than WoodPlastic® fastening material; such fastening material, whether approved or not, shall only be subject to guarantees extended by the manufacturer of the fastening material, and the warranty and remedies provided by such manufacturer shall be the Purchaser's sole warranty.

7.7 We shall not be liable for any potential inappropriate assembly of the Products and their use in the Purchaser's real property, including whether the Product meets the requirements of a legal regulation, technical standard or similar other regulation applicable to the Purchaser's real property.

7.8 We do not provide any architectural or engineering services. We do not provide any warranty or representation as to the suitability of the Products in terms of actual functional properties, ability, eligibility or operation of the Products in the Purchaser's real property or according to the conditions of use of the Product by the Purchaser.

7.9 Without prejudice to any other provision concerning the Warranty, the Warranty shall be extinguished and we shall not be obliged to comply with same in the event that any one or several of the events outlined below occur(s):

- a) the Product is not installed, maintained and/or used solely in accordance with the Instructions, as well as all applicable legal regulations;
- b) use of the Product contrary to customary use, or at variance with the Instructions, whether foreseeable or unforeseeable;
- c) failure to perform due and timely maintenance or repair;
- d) failure to make a timely notification of a malfunction or defect of the Product;
- e) use of fastening material other than WoodPlastic® brand fastening material, or hidden approved fastening material.

8. COMPLAINT RULES

8.1 To be able to make any claims on account of defects (complaints), the Purchaser must deliver a copy of the proof of purchase (in particular bill of sale) and photographs of

the Complaint Item. Such proof of purchase must have been issued by us, or by a registered and/or certified seller of the Products, and must show at least (1) the date of purchase, and (2) the fact that the Purchaser had bought at least the quantity of Products that the Purchaser considers faulty. Any warranty complaints must be delivered to us during the Warranty Period, and in any case no later than thirty (30) days after the discovery of a potential defect or other malfunction of the Product.

- 8.2 Complaints and all related notices must be sent to the address of our Warehouse.
- 8.3 After discovering a potential defect in the Complaint Item, the Purchaser must secure the Complaint Item against risk, and make sure that a further use of the Complaint Item does not cause any damage. Where necessary, the Purchaser must enable our authorized staff member to enter the premises wherein the Complaint Item is located, so that we could make an assessment of the defect claimed. We must make the complaint assessment before permanent repairs can be made, or before the Complaint Item is removed (e.g., taken out of the total area). No Complaint Items may be returned to us unless we have requested their return, or approved same in writing.
- 8.4 The costs of removal or disposal of defective Products, as well as their transport, shall be borne by the Purchaser.
- 8.5 The Warranty Period shall cease running from the delivery until resolution of the complaint. If the Product is replaced, a new Warranty Period shall commence running from the passage of risk of damage to such new Product.

9. STORAGE AND HANDLING

- 9.1 Products should be kept on an even and ventilated surface on correct rests.
- 9.2 The face (walk-on side; for a decking board laid onto the surface) must not be exposed to light during storage so as to prevent discoloration of the face.
- 9.3 A decking board or a fence slate must not be placed directly on the ground so as not to damage the surface.
- 9.4 When handling the Products, the fact that WoodPlastic® boards are heavier than traditional wooden boards must be taken into account.

10. FINAL PROVISIONS

- 10.1 These GBTC and legal relations between us and the Purchaser and legal relations arising therefrom shall be governed by Czech law, in particular Act No. 89/2012 Sb., the Civil Code.
- 10.2 These GBTC shall apply as of September 1, 2017.

Bukovany, July 1, 2017

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www.woodplastic.cz