

GENERAL COMMERCIAL TERMS TECHNISTONE, a.s.

- Part I: General commercial conditions for sale
- Part II: Complaint rules
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- Part III/3: Manual for cleaning and maintenance
- Part III/4: Technical manual for fabrication shops

PART I**GENERAL COMMERCIAL CONDITIONS FOR SALE
of engineered stone Technistone®****Technistone, a.s.**

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designed by nature, made for life

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1 ASSORTMENT

1.1 COLORS

1.1.1 Basic colors

There are **42 Basic colors** in 2013.

Standard surface finish – polish.

1.1.2 Special colors

There are **23 Special colors** in 2013. Special line products are not made regularly. They are produced only for particular customer orders.

Special surface finish – honed, brushed, antique, matt, slate and flamed.

The products of all lines (basic and special colors) are explicitly given in the Technistone document “COLOR RANGE” issued for the respective year.

1.2 QUALITY CLASSES – SLABS

1.2.1 Quality class 1

Usable area: 4, 26 sqm.

Marking: yellow sticker + identification sticker (bar code)

Products in this class are without any mechanical or visual defects.

1.2.2 Quality class 2

Usable area: 3, 56 sqm.

Marking: orange sticker + identification sticker (bar code)

Usable area less 16, 43 % when compared to the 1st quality.

Contingent defects may occur only on the nonusable 16, 43 % of surface.

1.2.3 Quality class N

Marking: red sticker + identification sticker (bar code)

This quality class includes products without any mechanical defects but with slight deviation from color shade, color structure or raw material.

1.2.4 Quality class 3

Marking: grey sticker + identification sticker (bar code)

This quality class includes the products with mechanical and visual defects as e.g.: outstanding circular and lengthwise grooves, outstanding low-gloss polished areas, damaged corners and edges, impurities, different color spots, spots with the same color shade exceeding in their sizes the allowed dimensions given in the specification of the quality class 1, incorrectly pressed areas, cracks, pressed-in paper etc. The defects are of such location, character and number so that it is not possible to reprocess the slabs

into a higher quality by means of repeated polishing or manual repair. It is not possible to lodge a claim on this quality class.

1.2.5 Quality class 4

Marking: green sticker + identification sticker (bar code)

This quality class includes products with quite different color shade or color structure and thus differs from the actual production standard. The slabs may contain also mechanical defects. It is not possible to lodge a claim on this quality class.

1.2.6 Project quality classification – slabs

For project orders (more than 800 sqm) can Technistone offer to our customers a mode called project quality. In this case, a required first class slabs delivery will include:

Up to max 10% of slabs usually classified as second class and up to max 5% of slabs usually classified as third class. Slabs of this category may not include:

- porosity, cracks, broken corners,
- significant polishing marks (matt areas), polishing scratches

1.3 QUALITY CLASSES – TILES

1.3.1 Quality class 1

Products in this class are without any apparent mechanical and visual defects and meet the dimensional tolerances.

1.3.2 Quality class N

The quality class N includes the products of non standard quality. Non standard mechanical defects, deviation in color shade, color structure or raw material, dimensional deviations are allowed.

1.3.3 Quality class P

The quality class P includes the products with mechanical defects not meeting the tolerances and where mechanical and visual defects occurred as e.g.: uneven chamfering, different color spots, spots with the same color shade exceeding with their sizes the allowed dimensions given in the specification of the quality class 1, different color structure etc. The quality P may be used for production of samples. It is not possible to lodge a claim on these products.

1.3.4 Project quality classification - tiles

For project orders (more than 800 sqm) can Technistone offer to our customers a mode called project quality. In this case, a required first class slabs delivery will include:

Up to max 15% of tiles usually classified as P class.

2 DELIVERY AND TRADE TERMS

2.1 GENERAL DELIVERY TERMS

The following conditions are valid for all deliveries made by producer Technistone, a.s. The producer has a network of distributors and vendors that respect these delivery and trade conditions.

All orders must be in written form. Phone orders are not accepted. Each order is checked with respect of delivery date, price and other conditions by Export Department and Purchase Order Acknowledgement (POA) is issued and sent to the customer by fax or by e-mail. Confirmed POA can be changed by customer or by producer in written after mutual agreement via Revision of the POA. The customer is informed about shipment date through the POA. In case of substantial change of shipment date the producer has to inform the customer about it immediately.

No changes in composition of the truck/container 72 hours before the loading of the material are allowed.

Any changes in an order confirmed previously by both sides are considered as a new order that must be confirmed in writing again by the producer. The Manufacturer may issue detailed commercial conditions (or discount system) valid for certain period and precising above mentioned conditions.

2.2 PRICE AND PAYMENT CONDITIONS

2.2.1 Price

Prices for products of a current production assortment of engineered stone Technistone® are quoted in a current price list from the producer. The price list is not part of these commercial conditions due to its potential for change.

2.2.2 Payment conditions – standard products

Payment conditions will be agreed individually, for first deliveries payment in advance, for further deliveries commercial credit according to an agreement.

2.2.3 Payment conditions – shop fabricated products

Payment conditions for shop fabricated products are according to an individual agreement with the producer, together with following conditions:

In the case that a customer cancels his order after start of its production, the customer must pay a cancellation fee equal to the value of material used plus all expenses during production of the order.

In the case that a customer cancels his order after it is produced, the customer must pay the whole purchasing price of the product according to his order and must take over the finished product.

2.3 GUARANTY

The guaranty period for the engineered stone Technistone® is 2 years for tiles, 5 years for the slabs used for products for public projects and 10 years for slabs used for products to residential area from the date of shipment and refers only to defects meeting the conditions in General commercial terms – part II: Complaint rules.

3 HANDLING OF THE PRODUCTS

3.1 SHIPPING OF THE PRODUCT

The Technistone® engineered stone is delivered in technical units (sqm, pieces). Each delivery of products is provided with packing list.

The packing list must include:

- ✓ packing list number and date of delivery
- ✓ name and address of production plant
- ✓ product denomination and its quantity
- ✓ name and address of the customer
- ✓ number of palettes/stands/boxes
- ✓ gross and net weight of the shipment
- ✓ number of respective Purchase Order Acknowledgment
- ✓ other data agreed in advance

Loading capacities of trucks and containers for the slabs:

Containers:

slabs 30 mm: maximum 64 pcs

slabs 20 mm: maximum 96 pcs

slabs 12 mm: maximum 154 pcs

There must be an **even number of slabs** in order to achieve a pair of slabs put with polished sides against each other.

Trucks:

slabs 30 mm: maximum 74 pcs

slabs 20 mm: maximum 110 pcs

slabs 12 mm: maximum 180 pcs

Weight of engineered stone Technistone is approximately:

- | | | |
|------------------------|---|--------|
| - for thickness 1 cm | weight of 1 sqm 25 kg, weight of one slab | 107 kg |
| - for thickness 1,2 cm | weight of 1 sqm 30 kg, weight of one slab | 128 kg |

- for thickness 2 cm weight of 1 sqm 50 kg, weight of one slab 213 kg
- for thickness 3 cm weight of 1 sqm 75 kg, weight of one slab 320 kg.

3.2 TRANSPORTATION OF THE PRODUCT

Paper packaging with the product must be protected during transport against the weather.

Slabs are loaded on iron stands designed for this purpose, with longitudinal axis in direction of drive and properly fixed against movement with belts.

One stand needs on the truck minimal 3,5 m space, simultaneously must be a minimum height of body structure 2,3 m. In the event that the transporter did not ensure sufficient space for goods loading, then transloading of goods is not provided by Technistone.

Each truck must be equipped with five-tightening belts for one stand + cardboard corners or pads, which are used under the belts.

Fork-trucks are mostly used for handling of pallets, boxes and stands so that the products are not exposed to movement. The container U-beam or similar device and overhead crane must be used for unloading of the slabs from the containers.

Pallets must not be stacked, by wooden crates it is allowed with certain limitations.

Manufacturer arranges the transport from the production plant in Hradec Králové according to previous settlement with the customer. All transportation costs are paid by the customer.

Main conditions for material loading in storage Technistone:

Full camion usually contains 110 pieces of 20 mm slabs or 74 pieces of 30 mm slabs. We recommend for transportation of 10/12 mm slabs to combine transportation of thick slabs (20/30 mm) with thin slabs (10/12 mm).

In the case of collective transportation (slabs + tiles) follow these instructions:

- 1 iron A -stand can carry approximately 12t of slabs (we offer using disposable stands with capacity of 3,5 and 8 t).
- weight of 1 pallet of tiles is approximately 1t.

For shipment of material Technistone® it is not possible to use van such as ice box or pick-up. Shipping department of company Technistone, a.s. is equipped for loading of vehicles with overhead crane and fork-trucks. Camion must have convertible top in order to load the material with fork-trucks from both sides.

According to the safety regulations in company Technistone, a.s. it is not allowed to handle the slabs manually. Material can't be shipped in case of inconvenient vehicle arrangement.

3.3 PACKING, LABELING AND IDENTIFICATION OF THE PRODUCT

3.3.1 The tiles

Tiles are packed into cardboard boxes and loaded into the crates or on pallets. The tiles are put polished side by polished side in order to protect the product from scratches. In order to prevent movement of the tiles on the pallets or in boxes, the wooden and paper filling and strips are used. If the strip is metallic, there is some plastic protecting element

unit between the strip and tiles in order to prevent scratching or contamination by rust. The product is laid uniformly on the pallets and does not overhang. The product packed on pallets is protected against atmospheric influence with shrinkable plastic foil. Each box and pallet is marked properly with a label stating number and commercial names of shipped products, lot number and color shade as well. Tiles sorted in P quality are not packed into cardboard boxes and are fixed only on pallets.

Each paper cardboard box containing the tiles is provided with a label with the CE marking:

- ✓ logo CE according to 93/68/EEC with two digits of the year in which the marking was affixed
- ✓ name and registered address of the manufacturer
- ✓ number of the European standard, which was an EC declaration of conformity
- ✓ product name
- ✓ product description, intended use and sizes
- ✓ information about prescribed properties (reaction to fire, flexural strength, slipperiness, thermal conductivity, water absorption)
- ✓ quality
- ✓ lot number
- ✓ color shade
- ✓ date of packing

Survey of packing the tiles – truck

Size cm	th. cm	Packing unit type	Number of pieces in box	Number of sqm in box	Weight of packing kg	Number of boxes/pallet boxes	Size of pallet cm
30 x 30	1	box	10	0,90	22,5	50	120 x 80
		pallet	500	45,00	1125	---	
40 x 40	1	box	6	0,96	24	42	120 x 80
		pallet	252	40,32	1008	---	
60 x 30	1	box	5	0,90	22,5	48	120 x 80
		pallet	240	43,20	1080	---	
60 x 60	1	box	3	1,08	27,0	32	135 x 65
		pallet	96	34,56	864	---	

Survey of packing the tiles – container

Size cm	th. cm	Packing unit type	Number of pieces in box	Number of sqm in box	Weight of packing kg	Number of boxes/pallet boxes
30 x 30	1	box	10	0,90	22,5	23
		crate	230	20,70	517,5	---
40 x 40	1	box	6	0,96	24	28
		crate	168	26,88	672	---
60 x 30	1	box	5	0,90	22,5	44
		crate	220	39,60	990	---
60 x 60	1	box	3	1,08	27,0	32
		crate	96	34,56	864	---

3.3.2 The slabs

Slabs are transported either on returnable metallic A-stands with tonnage 12t for transportation in camions. We can offer using disposable stands with capacity of 3,5 and 8t for transportation in containers or L-stands for transportation in 20 DC´ containers. The 1st and 2nd quality slabs are wrapped in a plastic foil and put polished side by polished side. The product is laid uniformly in the stands in order to protect the slabs against any movement in the stands. Each slab has an identification label (bar code) indicating the product denomination, lot number and color shade.

Each slab, after evaluation of its quality, is provided with a color sticker for visual identification of quality and with an identification sticker with the following information:

- ✓ number of slab
- ✓ lot number
- ✓ quality
- ✓ date of finalization of the slab
- ✓ thickness of the product (in mm)
- ✓ surface finish
- ✓ color shade
- ✓ safety label containing information about crystalline silica (agreed with ASTA members)

3.4 STORING OF THE PRODUCT

The product is to be stored in buildings or in roofed places that protect it against the atmospheric influence.

While storing or transporting the product, it is necessary to make arrangements so as to protect it against damage by crushing, improper handling or staining with lubricants, petrol, painting materials, building materials, rust, etc.

Slabs must be stored in the vertical position on the compact stand so that back side of the slab lies with its full area upon backing and so that no part of the slab overlaps to the free area.

Lower part of warehouse frames must be provided with rubber, plastic or wooden pads to prevent the chipping of slabs lower edge during manipulation. Slabs are put in stands in bundles that are separated with vertically laid wooden lathes – min. 4 pieces for 20 mm and 30 mm slabs and min. 6 pieces for 10 mm and 12 mm slabs – in even distance all over the length of the slab bundles.

4 DISTRIBUTION – DISTRIBUTORS AND SELLING POINTS

The distribution of the engineered stone Technistone[®] abroad is realized through a network of distributors or selling points. These distributors and selling points observe above-mentioned General commercial terms, run stock of Technistone[®] and render full information to respective re-sellers or end users.

For more information and detailed addresses see the web page www.technistone.com.