

**I. Introductory provisions**

1. These General terms and conditions of the contract for work (hereinafter referred to only as "GTC") regulate relations between the Contractor and the Employer in terms of performance of work (hereinafter referred to only as "subject of the contract" or "work"). Different arrangements between the contracting parties specified in the document "Order – Contract for work" (hereinafter referred to only as "order") shall take precedence over the provisions of these GTC.
2. After receiving an order, the Contractor shall send the Employer written confirmation of this within the deadline specified in the order. For these purposes, negotiations conducted via remote electronic means of communication shall also be regarded as having been conducted in written form, in particular exchange of e-mails or other electronic messages delivered to the e-mail address of the Employer specified in the "contact details" section of the order; if no e-mail address is specified there, negotiations conducted via remote electronic means of communication shall not be regarded as having been conducted in written form. Confirmation of an order by the Contractor within the deadline specified in the first sentence of this provision or commencement of performance by the Contractor within the deadline for performance specified in the order shall lead to conclusion of a contract for work which shall be constituted by the order, its attachments and these GTC.
3. The necessary part of this GTC is the document Contractual anti-corruption clause which is mandatory for contractual parties.

**II. Subject of the contract**

1. The Contractor undertakes to perform the work specified in the order for the Employer at his cost and risk and the Employer undertakes to accept flawless work and to pay the Contractor the agreed price for the work.
2. Performance of the work shall be understood to mean its completion and handover to the Employer free from defects and unfinished work by the deadline specified in the order (hereinafter referred to only as "completion date"). In the event of delay on the part of the Contractor with handover of the work by more than seven days, the Employer shall be entitled to withdraw from the contract.
3. If the date for commencement of performance of the work is specified in the order (hereinafter referred to only as "start date") or if partial performance deadlines are specified therein (hereinafter referred to only as "milestones"), the Contractor shall be obliged to meet these deadlines.
4. If the Contractor finds himself in delay with performance at the completion date or any milestone, or if it is clear that such a delay will occur, the Employer shall be entitled to call on the Contractor to remedy the situation; if the Contractor fails to remedy the situation, the Employer shall be entitled to implement all necessary measures, at the Contractor's cost and risk, leading towards ensuring timely and due performance of the work. The Employer shall in particular be entitled to perform the required activity himself or via a third party without this affecting the liability of the Contractor for meeting of his obligations, or to withdraw from the contract; the provisions of art. VIII. para. 2 shall not be affected by this. This provision shall also apply in the event of any other breach of obligation by the Contractor.
5. The Contractor shall be entitled to perform the work before the completion date, unless the Employer determines otherwise.
6. The subject of performance by the Contractor shall also include delivery of all documents relating to the work and to products and equipment constituting the work or incorporated in the work, in particular as built documentation, measuring of the performed work, instructions and certificates certifying the quality of materials, a "Declaration of conformity", "EC Declaration of conformity", or "Declaration of properties", within the meaning of Act no. 22/1997 Coll., on Technical Requirements for Products, as amended, and the respective government decrees, pursuant to the technical specifications valid as at the date of launch of the product onto the market or commissioning of the equipment, presentation of draft service contracts, workshop documentation and similar.
7. The Contractor shall perform the work in accordance with the contract, the Employer's instructions given before or during the course of performance of the work, with the documentation for performance of the work if part of the order or if handed over to the Contractor before or during the course of performance of the work, in accordance with the legal regulations, valid Czech technical standards which relate to materials and activity performed on the basis of the contract, including Czech technical standards which are not generally binding, and with decisions, in particular the building permit, with the standpoints or other measures or public administration authorities.

8. Unless specified otherwise in the order, the place of performance shall be the Employer's plant complex; the specific place for performance of the work in the Employer's plant complex, or if required or appropriate, at another place for performance determined in the order, shall be determined by the respective Employer's worker.
9. The Contractor shall be obliged to inform the Employer of all facts which influence or could influence conditions for performance of the work, in particular its price and performance deadlines, this being without delay and in writing together with a description of decisive facts and circumstances. If the Contractor fails to meet the obligations specified in the previous sentence, it shall not be possible to take these facts or circumstances into consideration and to project them into the conditions for performance of the work.
10. The Contractor, in his capacity as the specialist party, undertakes to meet all obligations specified in the contract for work with due diligence.
11. If rights resulting from intellectual property relate to the work or part thereof, including any document relating to the work which the Contractor is obliged to hand over to the Employer, the Contractor shall provide the Employer the right to exercise such intellectual property rights and to use, including duplication, of the original work in an unlimited scope (hereinafter referred to only as "licence"); the licence shall be granted as territorially unrestricted for a period of 50 years from the date of acceptance of the work by the Employer. The Employer is not obliged to use the licence specified in this paragraph. The Employer is entitled to grant the licence specified in this paragraph to a third party in full or in part. The licence fee is included in the price for the work. If the Contractor is not the holder of rights resulting from intellectual property relating to the work or part thereof, the Contractor shall grant the Employer sublicense subject to the conditions and in the scope specified in the first to fourth sentences of this provision; with regards to his, the Employer declares that he is entitled to grant such a sublicense.

### **III. Documentation for performance of the work**

1. If the order includes documentation for performance of the work, the Contractor declares that he has duly studied this and checked it, that it is complete, free from defects and that he is capable of performing the work in the agreed scope, in the determined manner and at the agreed price on the basis of such documentation and that he understood this and familiarised himself with all of the conditions and specifics of the work and place of performance; for this reason, any right of the Contractor arising from errors and failings in the documentation for performance of the work or due to incorrect understanding or checks on this documentation by the Contractor or arising from the place and method of performance of the work are excluded.
2. If over the course of performance of the work, the Employer provides the Contractor further documentation for performance of the work with further specifications, the Contractor shall be obliged before commencement of performance of the work to review this documentation with due diligence and without unnecessary delay and to notify the Employer in writing of any possible defects to it and failings in it and at the same time to propose a method for removal of such failings; for these purposes, negotiations conducted via remote electronic means of communication, in particular e-mail or other electronic messages shall not be regarded as having been conducted in written form.
3. Documentation for performance of the work shall remain the property of the Employer the whole time and is the subject of his trade secret; the Contractor may not publish any of the documentation for performance of the work or allow third parties access to it without the prior written consent of the Employer, with the exception of his subcontractors. The Contractor is obliged to return all documentation for performance of the work handed over to him to the Employer on the completion date, unless agreed otherwise by the parties. This shall also apply in the event that the work is not accepted or withdrawal from the contract for work.

### **IV. Price for the work and payment conditions**

1. The price for the work is specified in the order in a level exclusive of value added tax, unless evident otherwise from the order. The price for the work is a fixed price; if however it is ascertained that the Contractor used a lesser quantity of work, material, products or equipment in terms of performance of the work compared to the quantity anticipated in the contract, the price for the work shall be decreased by what the Contractor saved through non-performance of the work in full. If the contract for work includes a budget for the price for the work, pricing statement, list or similar document, this shall not affect the previous sentence and the contracting parties agree that such a document shall not determine the scope of the work and serves solely to determine monetary expression of partial performance pursuant to art. IV. para. 3 GTC, if arranged.

2. The price for the work shall include all costs required for performance of the complete functioning work pursuant to this contract, in particular costs for materials including additional ones, transportation of all parts of the work, all fees and actual costs relating to performance of the work or manufacturing of products on the Contractor's premises or directly at the place of performance, all customs and import fees, prices for certificates and tests necessary for handover of the work, wages and insurance for employees, costs for their transportation and accommodation, training of employees and provision of personal protective work gear and protective aids for them and also all other costs which are necessary for meeting of the Contractor's obligations from the contract for work or resulting from legal or technical standards relating to the subject of the work; the price for the work also takes into consideration any possible influences of the exchange rate or inflation.
3. Entitlement to payment of the price for the work shall be created for the Contractor through due performance of the work. If the contracting parties have agreed on payment of the price for the work in parts for a specific period of time (e.g. monthly), then this shall concern partial performance within the meaning of Act no. 235/2004 Coll., on Value Added Tax, as amended (hereinafter referred to only as "AVAT"), and the contracting parties agree that the date of taxable performance is the last day of the period for which the part of the price for the work is paid, and that partial performance shall be understood to mean the Contractor's performance provided in that period, performance of which is confirmed by the Employer in the list of work which constitutes a basis for issuance of partial invoices. Payment of partial invoices shall not replace acceptance of invoiced performance by the Employer and shall not be regarded as confirmation that performance was duly provided by the Contractor.
4. The price for the work shall be billed by the Contractor by means of a tax document – invoice after handover and acceptance of the work free from defects and unfinished work; entitlement to invoice partial performance pursuant to the previous paragraph shall not be affected by this. Other than the requirements of a tax document pursuant to the AVAT and requirements of a commercial document pursuant to Section 435 Act no 89/2012 Coll., Civil Code (hereinafter referred to only as the "Civil Code"), or requirements specified by the legislation in the place of residence or registered office of the Contractor, if the Contractor is a person with place of residence or registered office outside the territory of the Czech Republic, the issued invoice, including invoices for partial performance, shall include the order number, and where applicable the amount of deposit provided, a record of handover and acceptance of the work, or if partial performance has been arranged, a list of work for the respective period confirmed by the Employer, shall always constitute an attachment to the invoice. The Contractor shall be obliged to deliver the invoice to the address UNIPETROL RPA, s. r. o., Záluží 1, 436 70 Litvínov, or electronically to faktury.spolana@unipetrol.cz, or to another delivery address for sending of invoices specified in the order, otherwise the liability of the Employer for delay in payment of the invoiced price for the work or part thereof shall be excluded.
5. The Contractor shall also charge value added tax to go with the invoiced price for the work in the rate specified by the legislation effective as at the date of taxable performance; the Employer shall be obliged to pay the Contractor duly billed value added tax.
6. Invoice maturity is specified in the order, if not specified this period shall be 90 days from delivery of the invoice to the Employer's address for sending of invoices specified in art. IV. para. 4 GTC. If invoice maturity is set at a period of longer than 60 days, the Contractor explicitly declares that he does not regard this as grossly unfair with regards to himself.
7. If the invoice does not contain the above-mentioned requirements or if certain information is missing in it or if it exhibits other defects with regards to content or form, the Employer shall be entitled to return it to the Contractor within the maturity period specifying the reason for its return. In such a case, the maturity period shall be interrupted and the Contractor shall be obliged to issue a new invoice. After delivery of the new invoice, the agreed maturity period shall begin again.
8. The invoiced price for the work shall be paid by means of cashless bank transfer to the Contractor's account specified in the invoice. The obligation to make payment shall be met by debiting of the respective amount from the Employer's account to the Contractor's account.
9. Entitlement on the part of the Contractor request an appropriate part of the remuneration with a view to costs incurred within the meaning of Section 2611 Civil Code during the course of performance of the work is excluded.
10. The Contractor declares that as at the date of conclusion of the contract for work, he is not an unreliable payer within the meaning of Section 106a AVAT or similar provisions of the respective legislation of the country in which the Contractor has his registered office or place of residence, if he is a person with a registered office or place of residence outside the territory of the Czech Republic (hereinafter referred to only as "similar legislation").

11. If the respective tax administrator decides, in accordance with the AVAT or similar legislation, that the Contractor is an unreliable payer, the Contractor undertakes to inform the Employer of this fact in writing without delay, no later however than within 3 days of such decision having been delivered to him.
12. If the Employer ascertains in any manner that:
  - the account determined by the Contractor for payment of the purchase price is not a published account, or
  - the Contractor is an unreliable payer,the Employer shall as he sees fit, be entitled to:
  - a) pay value added tax directly to the respective tax administrator, or
  - b) pay the Contractor the billed amount exclusive of value added tax, on the understanding that value added tax shall be paid by the Employer to the Contractor after the Contractor provides the Employer decision by the tax administrator specifying that the Contractor is not an unreliable payer.
13. If the Employer pays the respective value added tax directly to the tax administrator, in terms of which it shall not be decisive whether he does so on the basis of his entitlement pursuant to the previous paragraph of this article or whether he is called on by the tax administrator to pay by virtue of guarantee pursuant to the AVAT or similar legislation, on the date of crediting of the respective amount to the account of the respective tax administrator, the obligation of the Employer to pay the Contractor value added tax shall expire in the level paid in this manner. In such a case, the Employer shall not be obliged to pay the Contractor the amount corresponding to value added tax.
14. The Contractor undertakes to pay the respective tax administrator value added tax duly and on time from all payments which he receives in accordance with the contract for work from the Employer. In the event of breach of this provision, the Employer shall be entitled to withdraw from the contract.
15. The Employer shall be entitled to set off mutually due and not yet due receivables against due and not yet due receivables of the Contractor, this also being such receivables which can be regarded as uncertain pursuant to Section 1987 para. 2 Civil Code.
16. The Contractor is not entitled to assign or use as security for his obligations towards a third party receivables owed by the Employer created on the basis of a contract for work or in relation to it without the prior written consent of the Employer.

## **V. Other provisions**

1. If the place of performance is the Employer's plant complex, the Contractor undertakes to comply with all internal regulations of the Employer published on his website <http://www.spolana.cz/> in the "Services and complex" section, in the "Legislation" subsection, or handed over to him by the Employer before or during performance of the work. The Contractor declares that he familiarised himself with the Employer's internal regulations published on the Employer's website pursuant to this provision before conclusion of this contract. In order to rule out all doubts, the contracting parties declare that the currently effective version of the Employer's internal regulations pursuant to this provision at any time during performance of the work until the moment of its acceptance by the Employer shall be binding for the Contractor, not only the version effective as at the date of conclusion of this contract. In the event of breach of obligation pursuant to this provision, the Employer shall be entitled to withdraw from the contract.
2. Any changes to the work may only be performed on the basis of prior written agreement between the contracting parties; for these purposes negotiations conducted via remote electronic means of communication by exchange of e-mails and delivered to the e-mail addresses of the authorised parties of the other contracting party specified in the order and confirmed by these parties shall also be regarded as having been conducted in written form. If the Contractor makes any change to the work without the prior written agreement with the Employer, his right to compensation shall be excluded, as well as his right to change in the agreed performance deadline, whereas the contracting parties explicitly, within the meaning of Section 1758 Civil Code, agree that they do not wish to be bound without such written agreement. The above-mentioned change may in particular not be performed on the basis of implicit acceptance or verbal acceptance. The Contractor shall be obliged to remove changes made in this manner subject to request by the Employer, this being within a reasonable deadline which the Employer shall determine for him for this. If the Employer does not ask the Contractor to remove such changes and accepts the subject of the work with them, performance performed in this manner shall be regarded as performance included in the subject of the work and the price for the work shall not be increased by them.

3. Changes in the work which led to extension of the subject of performance, the accumulated financial volume of which does not exceed 10% of the price for the work exclusive of VAT specified in the order, shall have no impact on performance deadlines, unless agreed otherwise in an amendment to the contract.
4. The Contractor is obliged to interrupt performance of the work on the basis of written instruction by the Employer. If interruption of performance of the work did not occur for a reason lying on the side of the Contractor, the period for performance of the work or part thereof shall be extended by the period over which the Contractor interrupted performance of the work subject to instruction by the Employer.
5. The Contractor is only entitled to commission a third party with performance of the work or part thereof with the prior consent of the Employer, otherwise the Employer shall be entitled to withdraw from the contract. If the Contractor commissions a third party with performance of the work or part thereof, he shall provide compensation for damage caused in the same way as if had caused this damage himself, this being regardless of whether such a third party undertook to perform a specific activity independently.
6. The Employer is entitled to perform checks on performance of the work by the Contractor and meeting of the contractual conditions. For the purpose of performance of checks, the Employer shall be entitled to enter all of the workplaces of the Contractor or third parties which are participating in performance of the work, where materials or equipment for performance of the work are produced or stored; the Contractor is obliged to ensure meeting of this obligation by third parties.
7. If justified by the nature of the work or if the period for its performance is more than three days, the Contractor shall be obliged during the whole period of performance of the work, i.e. from the moment of commencement until the moment of its handover to the Employer free from defects and unfinished work, to keep an installation diary with particulars appropriately corresponding to the particulars of a site diary pursuant to Decree no. 499/2006 Coll., on Construction Documentation, as amended (hereinafter referred to only as "decree on construction documentation"), and to make the respective records therein regularly on a daily basis; if the subject of the work is performance of construction or construction work, the Contractor shall always be obliged to keep a site diary with all of the particulars specified in the decree on construction documentation. If the Contractor breaches this provision, the Employer shall be entitled to withdraw from the contract.
8. The Contractor is obliged to ensure that the installation or site diary (hereinafter referred to only as the "diary") is always available for the Employer during the period of performance of the work; if the Employer requests presentation of the diary outside of the time when the work is being performed, the Contractor shall be obliged to present this to him on the next working day at the latest. The Employer is entitled to make records in the diary and, among other things, also to use it to provide the Contractor with instructions for performance of the work. The Contracting parties agree that if the Contractor does not stipulate his standpoint with regards to the Employer's record in the diary within two working days of the record having been entered, the Contractor shall be deemed to agree with such a record.
9. During performance of the work, the Contractor is obliged, among others, to comply with the regulations in the field of occupational health and safety, fire prevention, environmental protection and regulations in the field of employment; the provisions of art. V. para. 1 GTC are not affected by this. If the Contractor breaches this provision, the Employer shall be entitled to withdraw from the contract.
10. The Contractor is the originator of all waste which is created in relation to performance of the work and is obliged to dispose of this in compliance with the respective legislation.
11. The Contractor is obliged to have concluded a contract on liability for damage which he may cause through his activity, with a scope of indemnification corresponding to at least twice the price for the work specified in the offer, at least however CZK 250,000.00, and excess not exceeding 5% of the agreed scope of indemnification and to maintain the validity of this for the whole period of effectiveness of the contract. The Contractor is obliged to prove meeting of the obligation specified in this paragraph no later than the working day following delivery of call to do so by the Employer, otherwise the Employer shall be entitled to withdraw from the contract.
12. If the work is the result of activity which is the subject of industrial or other intellectual property, the Contractor shall not be entitled to provide the work to other parties different from the Employer.

## **VI. Handover and acceptance of the work**

1. The Contractor shall meet his obligation to perform the work by its due completion (i.e. free from defects and unfinished work) and handover to the Employer by the agreed deadline and in the agreed location, otherwise in the place of

- performance. The Contractor shall call on the Employer in writing to handover and accept the work at least three working days in advance.
2. Unless evident otherwise from the order, the Employer shall not be obliged to accept only part of the work.
  3. A record shall be drawn up in duplicate by the contracting parties concerning handover and acceptance of the work; the moment of signature of the record of handover and acceptance of the subject of the work by the contracting parties shall be the moment of handover and acceptance of the work.
  4. The Employer is entitled although not obliged to also accept the subject of the work with a small quantity of possible defects or unfinished work which do not in themselves or in combination with others prevent use of the work functionally or aesthetically and do not burden it, limit it or disturb it. The record of handover and acceptance of the work shall in such a case include a list of defects or unfinished work, if the Employer exercises his right to their removal in the record, also with determination of an appropriate deadline in which the Contractor must remove the defects or unfinished work. In the event of irremovable defects, the list shall include agreement on a discount on the price for the work. The Employer is not obliged to accept work which exhibits any defects or unfinished work from the Contractor.
  5. If the Employer accepts the subject of the work with reservations, the Employer shall not be obliged to pay the Contractor his due receivables until such time as all defects and unfinished work have been removed and the Employer's liability for payment of these shall be excluded. The maturity of all existing receivables of the Contractor shall be prolonged until such time as all defects and unfinished work have been removed.

#### **VII. Liability for defects**

1. In the event of defects to the work, the Employer shall as he sees fit be entitled to:
  - a) performance of replacement work,
  - b) removal of defects by repair to the work,
  - c) removal of defects by replacement of the defective parts of the work,
  - d) an adequate discount on the price for the work (unless the contracting parties agree otherwise, an adequate discount on the price for the work is 15% of the price for the work), or
  - e) withdraw from the contract.
2. If the Employer accepts the work with reservations pursuant to art. VI. para. 4 GTC and if he does not choose a right resulting from defective performance in the record or handover and acceptance of the work, he shall notify the Contractor in writing of his choice of right pursuant to art. VII. para. 1 GTC within 10 days of acceptance of the work; if he fails to provide notification within this deadline, the Contractor may also choose the right pursuant to art. VII. para. 1 GTC.
3. If the Employer exercises one of the rights resulting from defective performance pursuant to art. VII. para. 1 letter b) to d) GTC, the Contractor shall be obliged to satisfy this right within a period of 7 days from delivery of notification of exercising of the right, unless a longer period was specified therein. If the Employer exercises the right pursuant to art. VII. para. 1 letter a) GTC, the Contractor shall be obliged to satisfy this right within a reasonable period of time from delivery of notification of exercising of this right, at most in the period (understood to mean the number of days) for performance of the original work specified in the order. The Contractor is obliged to satisfy the right exercised by the Employer pursuant to this paragraph at his own cost even if he does not acknowledge liability for the defect; in such a case, the Contractor shall bear costs for satisfaction of the rights of the Employer until final decision by a court that he is not liable for the defect.
4. If the Contractor fails to satisfy the right of the Employer pursuant to art. VII. para. 1 letter a) to letter c) GTC in accordance with art. VII. para. 3 GTC, the Employer shall be entitled to satisfy this right using his own capacities or via a third party, all of this at the cost of the Contractor. The provisions of art. VIII. para. 3 GTC shall not be affected by this.
5. The Contractor undertakes that the work in all of its details and as a whole shall be fit for use for the purpose specified in the contract and if not specified, then for the usual purpose, and that it shall retain the properties specified in the contract and if not specified, the usual properties, all of this for the duration of the warranty period. Unless specified otherwise in the order, the warranty period shall start at the moment of acceptance of the work by the Employer free from defects and unfinished work and shall last for 48 months.
6. If the Employer ascertains that the work is defective during the warranty period, he shall notify the Contractor of this in writing without unnecessary delay; in this notification, he shall specify the defect, or describe how the defect exhibits itself. The provisions of art. VII. para. 1 GTC, and art. VII. para. 3 and para. 4 GTC shall be applied mutatis mutandis. If the Employer does not choose a right pursuant to art. VII. para. 1 at the same time as notification as specified in the first

sentence of this provision or no later than 10 days from delivery of this notification to the Contractor, the Contractor may also choose the right pursuant to art. VII. para. 1 GTC.

7. If this concerns an emergency defect endangering the operation or safety of the work or other equipment, property, the health of people or animals, the Contractor shall be obliged to commence removal of such defects immediately after delivery of notification by the Employer and to proceed in such a way that the defect is removed within 24 hours from delivery of his notification. The Employer may also notify the Contractor of defects specified in this provision via remote electronic means of communication to the contact address of the Contractor specified in the order confirmation or communicated to the Employer or published in a different manner.
8. The warranty period shall be extended by the period which ran from the moment of delivery of notification pursuant to art. VII. para. 6 first sentence of the GTC until the moment of satisfaction of the right of the Employer pursuant to art. VII. para. 1 GTC.

#### **VIII. Penalties**

1. In the event of delay in payment of the price for the work, the Contractor shall be entitled to charge the Employer punitive interest in the amount of 0.01% of the amount due exclusive of VAT for each day of delay.
2. In the event of delay on the part of the Contractor with the start date or performance of the work by the completion date or any milestone, the Employer shall be entitled to charge the Contractor a contractual penalty in the level of 0.5% of the price of the work exclusive of VAT for each day of delay begun.
3. In the event of delay on the part of the Contractor with satisfaction of the rights of the Employer arising from defective performance (see art. VII. para. 1 and para. 3 GTC) or from the quality warranty provided (see art. VII. para. 6 GTC), the Employer shall be entitled to charge the Contractor a contractual penalty in the amount of CZK 2,000.00 for each individual defect which the delay relates to and for each day of delay begun.
4. If the Contractor breaches his obligation resulting from art. IV. para. 14 GTC and the Employer, in his capacity as the guarantor pursuant to the AVAT or similar legislation, is called on by the tax administrator to pay value added tax, the Employer shall be entitled to charge the Contractor a contractual penalty in each individual case in the level of 1.1 times the value added tax which the Employer is called on to pay in his capacity as the guarantor pursuant to the AVAT or similar legislation.
5. If the Contractor breaches his obligation pursuant to art. IV. para. 16 GTC, the Employer shall be entitled to charge the Contractor a contractual penalty in the amount of 10% of the level of each assigned or pledged receivable; in the event of non-monetary receivables, the contractual penalty shall amount to CZK 50,000.00.
6. If the Contractor breaches any obligation specified by any internal regulation of the Employer pursuant to art. V. para. 1 GTC, the Employer shall be entitled to charge the Contractor a contractual penalty in the amount of CZK 5,000.00 for each individual case.
7. If the Contractor breaches his obligation pursuant to art. V. para. 5 GTC, the Employer shall be entitled to charge the Contractor a contractual penalty in the amount of CZK 50,000.00 for each individual third party which he commissions with performance of the work or part thereof without the consent of the Employer.
8. If the Contractor fails to keep a diary or keeps one without the required particulars (see art. V. para. 7 GTC), the Employer shall be entitled to charge the Contractor a contractual penalty in the amount of CZK 25,000.00 for each individual case.
9. If the diary is not available in the place of performance of the work pursuant to art. V. para. 8 GTC, the Employer shall be entitled to charge the Contractor a contractual penalty in the amount of CZK 10,000.00 for each individual case. If the Contractor breaches the obligation pursuant to art. V. para. 8 part of the sentence after the semi-colon in the GTC, the Employer shall be entitled to charge the Contractor a contractual penalty in the amount of CZK 1,000.00 for each day of delay begun.
10. If the Contractor breaches the obligation pursuant to art. V. para. 11 GTC, the Employer shall be entitled to charge the Contractor a contractual penalty in the amount of CZK 2,000.00 for each day of this breach begun.
11. If the Contractor breaches any obligation specified in the contract for work, meeting of which is not secured by any of the above-mentioned contractual penalties, the Employer shall be entitled to charge the Contractor a contractual penalty in the amount of CZK 1,000.00 for each individual breach of obligation and each day of duration of this breach.
12. Agreement on contractual penalties shall not affect entitlement to compensation in full for damage created in causal relation to breach of obligation secured by means of a contractual penalty.
13. Contractual penalties shall be payable within 7 days of delivery of billing for them to the other contracting party.

## IX. Closing provisions

1. The rights and obligations of the contracting parties resulting from the contract for work or relating to it shall be governed by law of the Czech Republic.
2. The contracting parties are obliged to inform each other of change to their contact details including change to their registered office. If they fail to do so, they shall be liable to the other contracting party for any damage incurred.
3. The Contractor assumes risk of change in circumstances within the meaning of Section 1765 para. 2 and Section 2620 para. 2 Civil Code, especially in relation to change in prices of input raw materials, wages, fuel and operational fluids, public fees or aggravated operating conditions and similar.
4. Not exercising any right, entitlement or remedial measure pursuant to the contract for work by any contracting party or deferral of such exercising shall not be interpreted as waiving of these rights, entitlements or remedial measures.
5. The contracting parties undertake to proceed in accordance with the principle of good faith. For the purposes of the contract for work, the principle of good faith shall be understood to mean entitlement on the part of each contracting party at any time during interpretation and application of this contract to presume that the other contracting party and their employees are acting in the interest of both contracting parties and always looking for a solution which is to the benefit of both contracting parties, that the other contracting party and their employees are acting pursuant to the rules of this contract, their own internal regulations, that they are authorised to perform such action and that they will communicate all relevant information, data and facts, unless the opposite is proven.
6. The Contractor undertakes to perform his activity in compliance with the generally binding legislation, generally acknowledged principles, preserving moral standards and adhering to the principles of business ethics, to refrain from any action which could be regarded as unethical by a third party and in conflict with good morals, business practice and generally binding legislation, and not to use the purchase price paid pursuant to the contract for work in any manner which would constitute a criminal offence or which could in any other way establish serious breach of the respective law or regulation. If the Contractor breaches his obligation specified in this provision, the Employer shall be entitled to withdraw from the contract.
7. The contract for work may only be altered in writing; change in any other form is excluded. For these purposes, other than cases when the will of the parties is captured in a document or documents with the signatures of authorised parties, negotiations conducted via remote electronic means of communication by exchange of e-mails and delivered to the e-mail addresses of the authorised parties of the other contracting party specified in the order and confirmed by these parties shall also be regarded as having been conducted in written form.
8. The contract for work contains complete agreement with regards to the subject of the contract and all particulars which the parties should have and wanted to agree on in the contract, and which they regard as important for the binding force of this contract. No statement by the parties made during negotiations on this contract or statement made after conclusion of this contract may be interpreted at variance with the explicit provisions of this contract and shall not establish any obligation of either of the parties.
9. The content of rights and obligations of the contracting parties from the contract shall first and foremost always be interpreted according to the verbal statement of the individual arrangements in the contract. The intention of the negotiating party may only be taken into consideration if it is not in conflict with the verbal statement. Only if there is any ambiguity with regards to the meaning of the verbal statement of individual arrangements shall the other legally determined rules for determination of the content of rights and obligations of the contracting parties be applied.
10. The Contracting parties do not wish any rights and obligations to be inferred above the framework of the explicit provisions hereof from current or future practice established between the contracting parties or habits preserved in general or in the branch relating to the subject of performance of this contract, unless explicitly agreed otherwise herein. Apart from the above-mentioned points, the Contracting parties confirm that they are not aware of any commercial habits or practice established to date between them.
11. The Employer shall be liable for damage caused by him to the Contractor in relation to the contract for work up to the level of 5% of the price for the work exclusive of VAT. The right of the Contractor to compensation for damage caused by failure to settle a monetary debt of the Employer is excluded. The Employer shall only provide the Contractor compensation for actual damage, not loss of profit. Damage shall be settled in monetary terms.
12. Wherever the liability of the Employer for delay is excluded in the contract, no entitlement shall be created for the Contractor to punitive interest for this reason, entitlement to compensation for damage, the right to withdraw from the contract or entitlement to a contractual penalty.

13. If any of the provisions of the contract for work are found to be or become invalid, ineffective or unenforceable, this fact shall not affect the other valid, effective and enforceable provisions of the contract for work. The contracting parties shall strive to replace such a provision with a provision which is valid, effective and enforceable.
14. If the Contractor is a person with a registered office or place of residence outside the territory of the Czech Republic or if the Contractor becomes such a person over the duration of the contract for work, the contracting parties agree that for ruling on their disputes resulting from this contract or in relation to this, the district court in Mělník shall be competent in the first instance, if a district court is competent to rule on the matter in the first instance pursuant to the legislation, or the regional court in Prague, if a regional court is competent to rule on the matter in the first instance pursuant to the legislation, unless the exclusive competence of a different court is given for ruling in the matter.
15. The contracting parties rule out application of the following provisions of the Civil Code: Section 557; Section 1740 para. 3; Section 1743; Section 1751 para. 2; Section 1798; Section 1800; Section 2111; Section 2112; Section 2591 second sentence; Section 2594 para. 3 second sentence; Section 2595; Section 2605 para. 1 first sentence; Section 2605 para. 2; Section 2609; Section 2618; Section 2626 para. 2.

#### **X. Contractual anti-corruption clause**

1. Both contractual parties declare that they shall exert appropriate care in relation to the performance of this contract and will adhere to all legal regulations that are binding for the parties in the area of preventing corruption issued by authorized bodies in the Czech Republic and in the European Union, directly as well as when acting through subsidiaries or closely linked economic entities of the contractual parties.
2. Each party furthermore declares that in relation to the performance of this contract they shall adhere to all internal regulations that are binding for the given party and which govern the standard of ethical behavior, prevention of corruption, related to laws governing transactions, costs and expenses, conflicts of interest, provision and accepting of gifts and anonymous reporting as well as explanation of errors, directly as well as when acting through subsidiaries or closely linked economic entities of the contractual parties.
3. The contractual parties declare that in relation to the conclusion and performance of this contract, neither party and also none of their owners, shareholders, members of the board, directors, employees, subcontractors and no other person acting on their behalf had implemented, proposed, promised, or authorized to make a payment or provide other services/activities which could lead to financial or other enrichment and/or other direct income of any of the following persons:
  - a) a member of a statutory body, director, employee or representative of the given contractual party or any subsidiary or closely related economic entity of the contractual parties,
  - b) a state official, i. e. understood as a natural person that holds a public office as defined in the legal system of the country where the performance of this contract takes place or where the official headquarters of the contractual parties and/or of any subsidiary or closely related entity of the party are located;
  - c) a political party, a member of a political party or an applicant for a position in a government office;
  - d) a representative or mediator acting as a recipient of payments on behalf of any of the aforementioned persons; and/or
  - e) any other person or entity - with the aim of securing their influence, positive decision or activities which may lead to any illegal advantage or any other undesirable purpose, if such an activity violates or would violate legal regulations in the area of preventing corruption issued by authorized entities in the Czech Republic and in the territory of EU, directly as well as when acting through subsidiaries or closely linked economic entities of the contractual parties.
4. The contractual parties are obliged to immediately inform each other of each case of violation of the provisions of this clause. Upon written request of one contractual party, the counterparty will provide information and a response to a justified question of the first party that will pertain to performance of this contract as per the provisions of this clause.
5. In order to ensure the due performance of the aforementioned obligations, both contractual parties declare that during the performance of this contract they will ensure that every person acting in good faith will have the option to anonymously report problems via an email sent via the Anonymous System for Reporting Unethical Behavior: [securityreport@unipetrol.cz](mailto:securityreport@unipetrol.cz).
6. If there is a suspicion that corruption took place in relation or for the purpose of providing performance as per this contract by any representative of the contractual parties, the SPOLANA s.r.o. reserves the right to perform an anti-corruption audit at the other contractual party in order to verify whether the other contractual party adheres to the provisions of this paragraph, notably in order to explain all matters related to potential corruption.