
GENERAL TERMS AND CONDITIONS FOR PERFORMING THE WORKS FOR OFZ, A. S.

1. Introductory Provisions and Subject Matter of the Contract

- 1.1. General Terms and Conditions herein specify particular rights and responsibilities for both Contractor and Customer which are not expressly stipulated in the Contract. Terms and Conditions herein are a part of the Contract upon its conclusion between Parties. Contractor confirms that upon signing the Contract, he/she is aware of General Terms and Conditions, and he/she agrees with the provisions herein. Should the provisions of Contract be different from those indicated herein, the provisions of Contract shall apply.
- 1.2. The Order shall be deemed the Contract and the Contract shall be deemed to have been concluded between the Parties if the Contractor within ten (10) days after receipt of the Order signs and delivers the Order to the Customer, he/she can choose to send the scanned copy of accepted Order onto the relevant email address of the Customer.
- 1.3. The Contractor shall duly and in time complete the Works for the Customer and hand over all Documents and the Works to the Customer pursuant to Article 536 and the following of the Commercial Code and the Customer shall pay to the Contractor the Price for Works in accordance and pursuant to provisions as set forth in Contract and General Terms and Conditions.
- 1.4. For the purpose of performing the Works, Contractor shall, at any time, follow the instructions and/or requests placed by Customer. Contractor shall not commit third party (a subcontractor) to performing the Works or any part of the Works without a prior consent of Customer made in writing.

2. Definitions

- 2.1. For the purpose of Contract and General Terms and Conditions hereof, the following words have the following meaning:
- 2.2. „**Works**“ - the works specified in the Contract particularly maintenance, repair, modification, an tangible assets as the result of other activities, and the like;
- 2.3. „**Price for Works**“ - the price for performing the Works as it is set forth in the Contract, any price is exclusive of VAT;
- 2.4. „**Protocol**“ – protocol for delivering and receiving the Works between Contractor and Customer that shall include at least the following:
 - Date on which the Works was delivered to the Customer, and if the Works is regularly performed, a measurable unit price shall also be indicated (m2, t,...), these are the days on which the Works has been performed;
 - description of the Works with the place/site of performing the Works;
 - in case of a measurable unit price, the amount of measurable units;
 - signature of the Customer`s worker who received the Works;

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- signature of head of the shift or shift foreman on site of the Customer where the Works has been performed.
- 2.5. „**Data**“ – papers and documents delivered to Contractor from Customer at the signing of Contract relating to the Works.
- 2.6. „**Commercial Code**“ - the Commercial Code pursuant to Act No. 513/1991 Coll. as amended.
- 2.7. „**Documents**“ – any documents specified in the Contract which Contractor shall deliver to Customer upon completing the Works.
- 2.8. „**Contract**“ - is Contract for Work (The Order accepted by Contractor from the Customer) and any other legal documents amending and supplementing the Contract.
- 2.9. „**Act on Illegal Work and Illegal Employment**“ - Act No. 82/2005 Coll. on Illegal Work and Illegal Employment as amended.
- 2.10. „**Retention**“ – means retention for the Works delivered duly and properly and in quality mutually agreed upon by the Contractor and Customer in the amount as it is set forth in the Contract.

3. Declaration of the Contractor

3.1. The Contractor declares that:

- a) he/she was made aware of and approved all Data and he/she/it has received them; he/she is familiar with the site and conditions for performing the Works; the site for performing the Works is free of any defects, or obstacles which could eventually hinder, prevent, or restrain Contractor from performing the Works duly and in time; he/she is familiar with technical solution of Works; and he/she is able to properly and timely perform the whole Works under conditions and provisions of Contract;
- b) he/she was made aware of any safety rules and regulations of the Customer;
- c) he/she or any supplier/sub-supplier of the Contractor does not illegally employ any person/persons within the meaning of the Act on Illegal Work and Illegal Employment;
- d) no person/persons carry out any illegal work for the Contractor or any of the suppliers/sub-suppliers within the meaning of the Act on Illegal Work and Illegal Employment;
- e) he/she or any Contractor's supplier/sub-supplier breach the Act on Illegal Work and Illegal Employment in any way whatsoever, either willfully or by negligence;
- f) any persons carrying out any work for the Contractor, which is classified as dependent work within the meaning of Act No. 311/2001 of the Labour Code as amended (hereinafter referred to as „**Labour Code**“) can carry out such work solely/exclusively under an employment relationship or under a similar relationship and in compliance with the conditions provided by the Labour Code;
- g) any persons carrying out any work for the Contractor, which is not classified as dependent work within the meaning of the Labour Code can carry out such work solely/exclusively under a contractual commercial relationship or under a contractual civil relationship and in compliance with the conditions provided in the Commercial Code or in the Act No. 40/1964 Coll. (the Civil Code) as amended (hereinafter referred to as „**Civil Code**“).

3.2. In line with Article 725 and the following of the Commercial Code the Contractor as the vowing party undertakes to compensate the Customer for any and all damage incurred by the Customer provided that:

3.2.1. any representations of the Contractor provided in Article 3.1 letters c) to g) of General Terms and Conditions is proven to be false and/or incomplete and/or misleading and/or fully and duly not complying with the reality, or

3.2.2. the Contractor will breach any obligations as set forth in Article 12.2 of General Terms and Conditions.

The Contractor must compensate the Customer for any and all damage caused to/incurred by/to be incurred by the Customer due to the facts provided in clauses 3.2.1 and/or 3.2.2 of General Terms and Conditions, as well as for any and all damage caused/incurred/to be incurred in a casual relationship with the facts provided in clauses 3.2.1 and/or 3.2.2 of General Terms and Conditions. The Contractor shall compensate the Customer for the full amounts (in the full extent) of any and all penalties and/or sanctions paid by the Customer and/or any other recourses that were/will be imposed on the Customer by the applicable regulatory bodies and/or other competent authorities and/or organizations for any breach/negligence/failure to act of the Contractor causing the facts provided in clauses 3.2.1 and/or 3.2.2 of General Terms and Conditions.

4. Sites and Deadlines for Performing the Works

4.1. The place for performing Works is stipulated in the Contract. Contractor, at any time, shall ensure the place for performing Works, against any potential harm to life and/or health and/or property and/or the Works and shall maintain such place clear. Contractor shall commence and complete the Works within terms and deadlines stipulated in the Contract.

5. Price for Works and Payment Conditions

5.1. The Price for Works is due within 60 days after Works have been properly completed, the Works have been received by Customer and Contractor removed all the defects (of the Works), as per invoice from Contractor.

5.2. The Parties agreed, that the Price for Works includes all costs, charges and fees incurred by Contractor for performing the Works pursuant to Contract.

5.3. Invoice shall include all items under valid rules and regulations of binding force. Protocol signed by both of the Parties and Customer's confirmation, that all defected parts of the Works has been removed shall be attached. VAT (value-added tax) shall be charged pursuant to legal rules and regulations of binding force effective from the date of invoice. In case the invoice does not meet all stated and agreed conditions, the Customer is entitled to return invoice to the Contractor, maturity period shall be suspended.

5.4. Should the Price for performing the Works be indicated as an hourly price, the Contractor shall include the list of all works that have been performed to the invoice. Such list shall at least include the following:

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- Day at which the works (the Works) have been performed;
 - Name of the worker who performed the works (the Works);
 - Unambiguous description of the works (the Works) that have been performed on a particular day;
 - The exact time when the works (the Works) have been initiated by the worker on a particular day;
 - The exact time when the works (the Works) have been finished by the worker on a particular day;
 - the number of hours that the worker spent for performing the works on a particular day. The working hours are without any lunch breaks or breaks during the work and this time (usually 30 minutes) shall be deducted from the time between the initiation and finishing of the works (the Works). Should the Customer find out that the worker of the Contractor had a longer break, all the break time will be deducted.
 - Signature of the Contractor`s worker who supervised the worker on a particular day of works and assigned him/her tasks.

The list shall also include the summary with a total number of working hours divided by the kind of works that have been performed and by sites/plants where these works have been performed and an average daily number of workers at the Customer`s plant/site.

- 5.5. Should the Contract include the Retention that differs from zero (0), the Customer shall hold the Retention from paying for any part of the Works to the amount as it is set forth in the Contract within twelve (12) months from the date when the Customer has received the Works from the Contractor and the Works is free of any defects and also duly and properly completed. From the Retention, Customer has a right to meet his/her financial claims that have been incurred by him/her for the Works or the Contract against the Contractor.

6. Conditions for performing the Works and Receipt of the Works

- 6.1. Contractor is obliged to fulfill all obligations stipulated in the Contract, in the Data and legal rules and regulations in force, to follow the Customer`s instructions, including, but not limited to, health, safety, environmental, and fire protection rules and regulation for the Contractor and any of his/her/its personnel and employees and subcontractor`s employees. By performing the Works, the Contractor is obliged not to restrict Customer, its employees or third persons.
- 6.2. Contractor shall perform, at his/her/its own expense, any inspections, controls, measurements, necessary for properly and fully performing the Works as stipulated in the Contract. Contractor shall inform Customer in writing about works that will be covered or inaccessible by performing of Works in future, 2 working days in advance at least. In case, Contractor shall not fulfill this obligation, the Customer is entitled to ask Contractor for reopening of this works and subsequent recover of this Works, all of his/her/its own expenses. At the same time, the Contractor is responsible for all the cost and damages incurred in relation with this.
- 6.3. For the purpose of this Contract, to perform the Works duly and properly means:

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- the delivery of Works which is completed and free of any defects together with training the persons that will operate the Works and at the same time,
 - the delivery of any Documents and certificates under legal rules and regulations of binding force and under technical norms and standards of Customer and under Customer's request and requests of state authorities and self-governing bodies.
- 6.4. Contractor shall notice the Customer in writing about the Works being ready for delivering and receiving at least two (2) working days in advance. Customer is not obliged to receive the Works if such Works (i) is defective, or (ii) it has been performed contrary to this Contract and/or Data, or (iii) it has been performed contrary to legal rules and regulations of binding force or technical norms and standards or requests of state authorities and self-governing bodies, or (iv) it has been performed contrary to the requirements of Customer. The Protocol shall be prepared about delivering and receiving the Works. Should there be any defects and/or should the Works be unfinished, a list of defects and works to be completed shall be prepared together with terms and deadlines necessary for their removal.
- 6.5. Contractor is obliged to clear out the place of the Works after completing all the works within five (5) working days from receiving the Works by the Customer.

7. Liability for Defective Works - Claims

- 7.1. A warranty period between Contractor and Customer shall commence one (1) day after the Works have been received by Customer as stipulated in Protocol provided that the Contractor has removed all the defects and all the works have been completed. A minimum warranty period is two (2) years unless otherwise stated by the Contractor who can also grant an extended warranty period.
- 7.2. The Parties agree that throughout the warranty period Customer may require Contractor that he/she/it remedies any defects of Works at his/her/its own expense. Contractor shall start removing any defects of Works within twelve (12) hours after admitting a claim of Customer and to remove any defects of Works within twenty four (24) hours after admitting a claim of Customer at the latest. Customer is entitled to claim defects of the Works by e-mail or by phone. Should the Contractor violate these obligations, the Customer has a right, at its sole discretion, to require Contractor to pay contractual penalties, and to reduce the Price for Works, or at the sole expense of Contractor to remedy any defects of Works alone or to ensure, through the third party, that any defects are properly removed, and if this is a case, Contractor shall, at all events, refund any costs incurred by the Customer. The rights of Customer arising from the warranties are not excluded.
- 7.3. The defect or any incompleteness of the Works shall be deemed removed upon confirmation from the Contractor. If there is a doubt that Contractor is liable for particular defects, the Parties hereto agree that such defects of the Works shall be removed by Contractor in accordance with and under the provisions of Article 7 of General Terms and Conditions. The Parties hereto shall agree on claims arising from such defects after their removal.

8. Risk of Damage and Title of Works

- 8.1. Contractor shall be liable for any destruction, damage, and/or theft of Works or any part of Works unless the Works has been received by the Customer pursuant to the Protocol.
- 8.2. Customer is owner of Works and any part of Works, including but not limited to, built-in, or inserted parts.

9. Non-performance of the Contract

- 9.1. The occurrence of any of the following shall constitute a non-performance under this Contract:
 - Contractor has breached/has not fulfilled any obligation arising from the Contract or from General Terms and Conditions or from any other agreement concluded with Customer;
 - Contractor's failure to complete the Works within a required deadline;
 - delivery of a petition for initiating bankruptcy proceedings in respect of the assets of the Contractor;
 - authorization for the trustee to prepare a restructuring opinion in respect of the assets of the Contractor according to the relevant legal regulations;
 - the relevant Contractor's bodies shall have adopted a decision on entry of the Contractor into liquidation, or the Contractor is in crisis (pursuant to Article 67a of Commercial Code);
 - occurrence of an execution title, e.g. statement of delinquent payments, in connection with failure to pay any statutory payments by the Borrower or the Guarantor (e.g. payment of taxes, customs duties, levies);
 - commencing of an execution proceedings or tax execution proceedings or enforcement of a decision against the Contractor as the person liable;
 - Customer obtains a reasonable and probable cause that acting of Contractor is contrary to or evade the legal rules and regulations of binding force or general principles or good manners and practices;
 - there exists an assumption, that Contractor is not able to duly and in time perform the Works;
 - any representations of the Contractor provided in the Contract and/or General Terms and Conditions is proven to be false and/or incomplete and/or misleading and/or fully and duly not complying with the reality.
- 9.2. Should the Non-performance of Contract occurs, the Customer has a right to withdraw from the Contract.

10. License

- 10.1. The Parties acknowledge that the Works may include also parts, that are subject matter of intellectual and/or industrial property under legal rules and regulations of binding force. Upon delivering and receiving the Works, the Contractor shall, base on the Protocol, grant the Customer an exclusive permit to use the parts of Works pursuant to Article 10 of these General Terms and Conditions under legal rules and regulations of binding force (hereinafter referred to

as „License“). Contractor shall grant the Customer all necessary approvals and permits for using and manipulating with the Works under Article 10 of these General Terms and Conditions.

- 10.2. The License shall be deemed as a nonexclusive license being granted to Customer without any limitation and for an indefinite period of time. Contractor shall grant the Customer with unlimited consent for using and/or transferring the exercise of rights and/or assigning and/or transferring the License to the third party. Compensation for License is included in the Price for Works.

11. Contractual Penalties

- 11.1. If Contractor is in breach to fulfill his/her/its obligation to perform the Works dully and in time or is in delay with Time schedule, he/she/it shall pay to Customer a contractual penalty in the amount of 0,1 per cent out of Price for Works for every day of delay.
- 11.2. Should the Contractor fail to remove any defects of Works claimed by the Customer under a period as stipulated in Section 7.3. of General Terms and Conditions within the warranty period or in terms stated in the Protocol, the Contractor shall pay the Customer a contractual penalty of 1.000,- € for any single defect of Works and for any day of delay until all defects have been successfully removed.
- 11.3. The Customer is authorized to request the Contractor to pay a contractual penalty in the rate stated in Customer's tariff, if he/she/it breach regulations on safety at work stated in Customer's regulations on safety at work.
- 11.4. Any indemnification (compensation for damage) shall not be affected by the contractual penalties under this Contract.
- 11.5. The Contracting Parties agree that if any declaration of the Contractor specified in clause 3.2 items c) to g) of the Contract is proved to be false and/or incomplete and/or misleading and/or not fully and duly complying with the reality or provided that the Contractor breaches any of the Contractor's duties determined in clause 12.2 of General Terms and Conditions, or if the Customer suspects the Contractor for breaching any of the Contractor's duties determined in clause 12.2 of General Terms and Conditions, the Contractor must pay to the Customer a contractual penalty amounting to: 5.000 € per each individual case of breach.

12. Obligations of the Parties

- 12.1. Contractor shall:
- ensure that any person, at the Customer's site, without limitation to staff, authorized personnel, or subcontractor, is obliged to observe all relevant safety rules and regulations, and all safety regulations of Customer while performing the Works,
 - submit, at the latest, upon signing the Contract, a valid insurance contract with Contractor's liability for damage and ensure that insurance contract stays effective throughout the whole period of performing the Works.
- 12.2. The Contractor undertakes that during the entire term and effect of the Contract until the due lapse of the warranty period concerning the Work:

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- 12.2.1. neither the Contractor nor any supplier/sub-supplier of the Contractor will illegally employ any person/persons within the meaning of the Act on Illegal Work and Illegal Employment; and simultaneously
 - 12.2.2. no person/persons carry out any illegal work for the Contractor or any of the suppliers/sub-suppliers within the meaning of the Act on Illegal Work and Illegal Employment; and simultaneously
 - 12.2.3. neither the Contractor nor any Contractor's supplier/sub-supplier breach the Act on Illegal Work and Illegal Employment in any way whatsoever, either willfully or by negligence; and simultaneously
 - 12.2.4. any persons carrying out any work for the Contractor, which is classified as dependent work within the meaning of the Labour Code can carry out such work solely/exclusively under an employment relationship or under a similar relationship and in compliance with the conditions provided by the Labour Code; and simultaneously
 - 12.2.5. any persons carrying out any work for the Contractor, which is not classified as dependent work within the meaning of the Labour Code can carry out such work solely/exclusively under a contractual commercial relationship or under a contractual civil relationship and in compliance with the conditions provided in the Commercial Code or the Civil Code.
- 12.3. The Contracting Parties agree that the Contractor must without delay and not later than within 1 business day after the Customer's request provide to the Customer any and all documents and personal data, documentation, and statements, as well as any other documents and/or information concerning all persons by means of which the Contractor and any of the Contractor's suppliers/sub-suppliers perform the Work in the extent that such documents and/or information are needed for the Customer to verify the truthfulness of the Contractor's representations provided in the Contract and/or fulfillment of the Contractor's duties set forth in clause 12.2 of General Terms and Conditions.
 - 12.4. The Contractor undertakes to ensure that the Contractor and any of the Contractor's suppliers/sub-suppliers, as well as any persons by means of which the Contractor and any of the Contractor's suppliers/sub-suppliers perform the Work provided the Customer with any assistance and cooperation needed for the fulfillment of the liabilities set forth in clause 12.3 of General Terms and Conditions.
 - 12.5. The Contractor undertakes to submit to the Customer on the date of the Work initiation a written list of all persons by means of which the Contractor and any of the Contractor's suppliers/sub-suppliers perform the Work and the Contractor shall regularly update such list every 30 calendar days and submit such regularly updated list to the Customer, while any changes in the list of all persons by means of which the Contractor and any of the Contractor's suppliers/sub-suppliers perform the Work must be notified to the Customer in writing in advance.

13. Communication of the Parties

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- 13.1. The Parties agree that except as stipulated in Section 13.2. of General Terms and Conditions, any notice, request, or consent, or any other communication of Parties under Contract (hereinafter referred to as „**Notice**“) shall be made in writing and shall be delivered to intended Party personally, by registered mail, or by courier. Correspondent addresses are indicated in heading of the Contract.
 - 13.2. Any operative matters under Contract may also be resolved by e-mail or phone. Email addresses and phone numbers are indicated in heading of the Contract.
 - 13.3. The Parties agree that (i) the Notice delivered personally shall be deemed delivered when received by the Party for which it was intended; (ii) the Notice delivered by registered mail shall be deemed delivered three (3) working days after having been sent to the correspondent address whether delivery had been successful or not, and for this purpose, a postal receipt shall serve as an evidence, (iii) the Notice delivered by courier shall be deemed delivered when received by the Party for which it was intended, in the event that the delivery of notice delivered by courier, is unsuccessful, the notice shall be deemed delivered three (3) working days after having been sent the first time, and for this purpose, the statement of a courier, particularly shall serve as an evidence.

14. Final Provisions

- 14.1. The Parties agree that Contractor shall not assign or transfer its rights (including receivables) and/or obligations under the Contract in whole or in part to the third party without a prior written consent of Customer. Any transfer of rights and/or obligations and/or receivables contrary to Section 14.1. shall be deemed null and void.
- 14.2. The Contract and the Terms and Conditions constitute the whole agreement between the Parties as to their subject matter and fully substitute any prior oral and written agreements of the Parties and questions as to its subject matter.
- 14.3. The Contractor shall keep any information that he learned pertaining the performing of the Contract on Customer and his/her clients in trust and confidence. Such information include, but are not limited to, the information on legal, trade, production & technical matters and legal disputes that Contractor learns during the course of performing the Contract and that are of an internal or confidential matter, or that are to be kept confidential on the basis of Customer`s intention, or there is a reason to assume that these information on the Customer and his/her clients be of confidential matter. The Contractor shall hold in trust and confidence all information during the term of this Contract and also after the termination of Contract in any way and for any reason.
- 14.4. Any amendments to the Contract shall be made in writing and such amendments shall enter into force upon being signed by both Parties hereto.

Effective from: November 15, 2019