



# TERMS AND CONDITIONS

Effective as of 25 November 2020

## 1 BASIC TERMS

1.1. The present **"Terms and Conditions"** regulate the rights and obligations of parties to a Contract that references the Terms and Conditions, has been entered into between a Customer, pursuant to Art. 1.4, as the buyer or client on the one hand, and a Supplier as the seller, contractor or provider, on the other, and further govern the procedure applicable to forming, amending and terminating such Contracts.

1.2. **"Customer's Site"** denotes the Place of Performance owned by the Customer, or a Place of Performance, in respect of which the Customer holds other right to use. The Supplier is obliged to observe the Customer's internal guidelines they have been familiarized with and instructions of the persons representing the Customer. The notion of the Customer's Site also applies to the place (workplace) where the Supplier provides a Supply, the final recipient of which is a third party; in such a case, the Supplier shall also observe the internal guidelines of the third party they will be familiarized with and instructions of persons representing the third party.

1.3. **"Price"** denotes a monetary consideration to be paid to the Supplier in return for the Supply provided by them. The Price amount or method of its determination has been negotiated under the Contract. The Price is the full, fixed and final price, including all costs incurred by the Supplier in connection with the Supply, i.e. including the cost of packaging, insurance, transport, and any travel reimbursement, license fees, customs and administrative fees, costs of documentation, tests, certificates, prices of any non-returnable packaging or wear and tear of returnable packaging and the costs of disposal and destruction of waste, etc. The Supplier may only request an advance payment where expressly specified under the Contract.

1.4. **"Customer"** denotes any of the following companies: **ČEZ, a. s.**, Company ID 45274649, File Reference B 1581, registered with the Municipal Court in Prague, with its registered office at Duhová 1444/2, Michle, 140 53 Praha 4, data box ID: yqkods6, e-mail: podatelna@cez.cz; **ČEZ Energetické produkty, s.r.o.**, Company ID: 28255933, File Reference C 135724 registered with the Municipal Court in Prague, with its registered office at Komenského 534, 253 01 Hostivice, data box ID: yqkxkuq, e-mail: cezep@cez.cz; **ČEZ Energetické služby, s.r.o.**, Company ID: 27804721, File Reference: C 52291 registered with the Regional Court in Ostrava, with its registered office at Výstavní 1144/103 Vítkovice, 703 00 Ostrava, data box ID: 9dzzkk, e-mail: podatelna@cez.cz; **ČEZ ENERGOSEVIS spol. s r.o.**, Company ID: 60698101, File Reference C 14400, registered with the Regional Court in Brno, with its registered office at Brávova 1371/16, Horka – Domky, 674 01 Třebíč, data box ID: h7axkvc, e-mail: uctarna@cezenergoservis.cz; **ČEZ ESCO, a.s.**, Company ID: 03592880, File Reference B 20240 registered with the Municipal Court in Prague, with its registered office at Duhová 1444/2, Michle, 140 53 Praha 4, data box ID: r5dsviv, e-mail: podatelna@cez.cz; **ČEZ ICT Services, a. s.**, Company ID: 26470411, File Reference B 7309, registered with the Municipal Court in Prague, with its registered office Duhová 1531/3, Michle, 140 53 Praha 4, data box ID: zbsd9i, e-mail: podatelna@cez.cz; **ČEZ Korporátní služby, s.r.o.**, Company ID: 26206803, File Reference C 55500, registered with the Regional Court in Ostrava, with its registered office at 28. října 3123/152, Moravská Ostrava, 702 00 Ostrava, data box ID: v5pxkwm, e-mail: podatelna@cez.cz; **ČEZ Obnovitelné zdroje, s.r.o.**, Company ID: 25938924, File Reference C 16087, registered with the Regional Court in Hradec Králové, with its registered office at Křižíkova 788/2, 500 03 Hradec Králové, data box ID: ci5kwx, e-mail: cezoze@cez.cz; **ČEZ Prodej, a.s.**, Company ID: 27232433, File Reference B 22581, registered with the Municipal Court in Prague, with its registered office at Duhová 425/1, Michle, 140 53 Praha 4, data box ID: mcexkwr, e-mail: podatelna@cez.cz; **ČEZ Teplárenská, a.s.**, Company ID: 27309941, File Reference B 17910, registered with the Municipal Court in Prague, with its registered office at Bezručova 2212/30, 251 01 Říčany, data box ID: 943dk9e, e-mail: podatelna@cez.cz; **Elektrárna Dětmorovice, a.s.**, ID No.: 29452279, File Ref. B 10329 registered with the Regional Court in Ostrava, with its registered office at No. 1202, 735 71 Dětmorovice, data box ID: 3cfj6as, e-mail: podatelna@cez.cz; **Elektrárna Dukovany II, a. s.**, Company ID: 04669207, registered under the reference number: B 21250, registered with the Municipal Court in Prague, with its registered office at Duhová 1444/2, Michle, 140 00 Praha 4, data box ID: zcnwnf, e-mail: podatelna@cez.cz; **Elektrárna Počeradry, a.s.**, Company ID: 24288110, File Reference B 18163, registered with the Municipal Court in Prague, with its registered office at Duhová 1444/2, Michle, 140 53 Praha 4, data box ID: gzcrrhd, e-mail: podatelna@cez.cz; **Elektrárna Temelín II, a. s.**, Company ID: 04669134, registered under the reference number: B 21251, registered with the Municipal Court in Prague, with its registered office at Duhová 1444/2, Michle, 140 00 Praha 4, data box ID: 95xewnb, e-mail: podatelna@cez.cz; **Energotrans, a.s.**, Company ID: 47115726, File Reference B 1784, registered with the Municipal Court in Prague, with its registered office at Duhová 1444/2, Michle, 140 00 Praha 4, data box ID: rř6pukz, e-mail: podatelna@cez.cz; **Inven Capital, SICAV, a.s.**, Company ID: 02059533, File Reference B 19323, registered with the Municipal Court in Prague, with its registered office at Pod křížkem 1773/2, Braník, 147 00 Praha 4, e-mail: podatelna@cez.cz; **MARTIA, a.s.**, Company ID: 25006754, File Reference B 866, registered with the Regional Court in Ústí nad Labem, with its registered office at Mezní 2854/4, Severní Terasa, 400 11 Ústí nad Labem, data box ID: kwhe4hy, e-mail: uctarna@martia.cz; **Telco Infrastructure, s.r.o.**, Company ID: 08425817, File Reference C 318836, registered with the Municipal Court in Prague, with its registered office at Duhová 1531/3, Michle, 140 00 Praha 4, data box ID: mdmbvby, e-mail: podatelna@cez.cz; **Telco Pro Services, a. s.**, Company ID: 29148278, File Reference B 18830 kept by the Municipal Court in Prague, with its registered office at Duhová 1531/3, Michle, 140 00 Praha 4, data box ID: id6pgkc, e-mail: podatelna@cez.cz;

1.5. **"Supplier"** denotes an entity with which the Customer has entered into a Contract.

1.6. **"Place of Performance"** denotes the place where the Parties have agreed goods will be transmitted, work will be handed over or other Supplies will be provided.

1.7. **"Non-Public Information"** denotes, regardless of the manner of disclosure or capture thereof, information that constitutes a certain value for the Customer and is not part of the public domain. This mainly involves information of a commercial, manufacturing, technical or economic nature related to the Customer's operations, in particular drawings, sketches, samples, technical designs, know-how, marketing techniques and information, price lists, price

policies, business methods and policies, contracts and contractual relationships with customers and suppliers, this Contract, analyses and research, internal control documents and records, identified weaknesses and risks, software (including object and source codes), database technologies, systems, structures and architectures, classified information pursuant to Act No. 412/2005 Coll., on the protection of classified information and security eligibility, and business secrets pursuant to Section 504 of the Civil Code.

1.8. **"Civil Code"** denotes Act No. 89/2012 Coll., Civil Code.

1.9. **"Authorized Representative"** of a Party denotes a person authorized to assume binding commitments on behalf of the Party and to conclude, amend, confirm or terminate the Contract. As for persons authorized to represent the Supplier as per the Civil Code, the person shall produce proof of their job position or office vis-a-vis the Customer. In other cases, the Supplier's Authorized Representative shall have a written valid power of attorney in respect of the aforementioned acts, which they shall produce in interactions with the Customer.

1.10. **"Counterfeit Supply"** denotes a Supply that represents a copy or an imitation that contravenes the law, with no legal claim or entitlement, or whose material, components, parts, composition, performance or characteristics are distorted.

1.11. **"Supply"** denotes a common designation for work, goods supplied through purchase, promotion and advertising of the Customer, their products and services or other types of supplies. Where the generally binding legislation specifies certain standard of quality, quantity, measure, weight, or, as the case may be, workmanship, of the Supply, the Supply shall only be deemed free of defects if it has the properties defined in the legislation or required under the Contract. The Supply may not include any substances hazardous to health; this is without prejudice to Article 6.5., second sentence et seq. The Supplier shall provide the Customer with the Supply in accordance with the Contract, relevant regulations, in a due and timely manner, and with professional care. Any Supply to be provided to the Customer shall take place against a valid and effective Contract.

1.12. **"Suspicious Supply"** denotes a Supply where, upon an inspection, test or other information, it is clear that it does not necessarily meet the specification set forth and required by law, technical standards, industry standards, or other standards related to the Supply.

1.13. **"Contract"** denotes a written expression of intent of the Parties to regulate their mutual rights and obligations. A Contract shall be formed with the Parties confirming, in writing, the draft Contract without reservations and additions (the option of adopting a draft Contract with an addition or a derogation is hereby excluded), where a scan of a signed document shall be deemed to fulfill the written form requirement. A Contract may be also formed by delivering the subject of the Contract indicated in the written draft Contract sent to the Supplier by the Customer. The Terms and Conditions, documents referenced in the Contract or in the Terms and Conditions, as well as any and all annexes to the Contract, as appropriate, form an integral part of the Contract. The ČSN, ČSN EN standards expressly referenced in the Contract, as well as any other documents and information submitted to the Supplier by the Customer in the context of the Supply, also form part of the Contract. The Supplier is obliged to consult all the information, data and any other documents that form part of the Contract and relate to the Supply. If any information, data or values submitted to the Supplier are insufficient, incomplete or inaccurate to the extent that this could affect the proper performance of the Contract, the Supplier shall add to and/or obtain the missing information and data. By concluding the Contract, the Supplier assumes the risk of a change of circumstances pursuant to Section 1765(2) of the Civil Code.

## 2 SPECIAL PROVISIONS ON PURCHASE CONTRACTS

2.1. The Supplier shall deliver the goods to the Customer at the Place of Performance at their own expense and risk.

2.2. The Supplier shall duly mark the goods or the packaging thereof with the trade name and the address agreed as the Place of Performance.

2.3. If, under the Contract, the goods are to be delivered to a warehouse of the Customer, instructions for storage, storage inspections and maintenance, and the indicated shelf life must be provided along with the goods.

2.4. In addition to the documents agreed under the Contract and those laid down under the applicable legislation, as well as the documents submitted to the Customer by the Supplier under regular business practice or documents otherwise required for further use of the goods, the Supplier shall attach a delivery note to each shipment so that the latter is visible and at once protected against the effects of weather and transport. For grouped shipments, the Supplier shall indicate all Contract numbers, under which the goods were loaded, in the header of the shipment and in the delivery note. At the same time, the Supplier shall mark the individual types of goods with the Customer's Contract number. Detailed information on the number of items (meters) and weight must be indicated in the header of the shipment as well as in the delivery note. For shipments consisting of several packages, the package containing the delivery note must be identified.

2.5. If the Supplier is obliged to produce (manufacture) the Supply in accordance with the requirements of the Customer or to assemble or commission the Supply at the Customer's Site, the applicable provisions of Article 3 apply accordingly.

## 3 SPECIAL PROVISIONS ON CONTRACTS FOR WORK

3.1. The Customer has the right to give instructions to the Supplier relating to the method of execution of the work. The Supplier shall ensure the work is executed by personnel with the required professional skills and qualifications matching the legislation relevant to the execution of the work. The Customer may request submission of the authorizations required for this activity.

3.2. Where this is customary under regular business practice, the Supplier shall additionally submit certificates of quality and completeness, material data sheets or other technical documentation forming part of the Supply, as well as the operating and maintenance manual in the Czech language and warranty certificates in respect of the material used in executing the Work.



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3.3. Where required under the generally binding legislation, by the Customer or under the established practice, the Supplier, in executing the Work, shall keep a Construction/Assembly Logbook (hereinafter referred to as the "Logbook") on an ongoing basis to record data concerning the method of execution of the work, in particular with regard to data concerning the conditions of the work during the execution process, progress of the work and quality of the work, and justification of any deviation from the design documentation, etc. The Customer and public oversight bodies have the right to make entries in the Logbook, in particular data on any shortcomings and requirements for corrective action. All entries must be dated and signed. The Supplier shall produce the Logbook on request and allow the Customer to make extracts or copies thereof.

3.4. The work includes an undertaking of the Supplier to arrange the transport of the work, unless the work is being executed at the Customer's Site.

3.5. The Customer may monitor compliance with the legal, contractual and technical requirements for occupational health and safety (OHS), fire protection (FP) and environmental protection (EP) by the Supplier during the work execution.

Jun 3 If any metal waste/scrap is generated during the work execution, which previously constituted property of the Customer, it is the Customer's property. The Supplier shall cut the scrap to pieces, sort it as instructed by the Customer and keep it at a place designated by the Customer.

3.7. The Supplier shall transmit the work to the Customer at the Place of Performance, at the time of the Supply, in the scope, at the quality standard and in the manner as agreed under the Contract.

## 4 SPECIAL PROVISIONS ON CONTRACTS ON ADVERTISING PARTNERSHIP

4.1. The Supplier is obliged to complete the Supply in keeping with the brand designs provided by the Customer. The CEZ Group Single Visual Style Guide including the logotype is available at [www.cez-brand.cz](http://www.cez-brand.cz)

4.2. The Supplier shall submit suggested proposals for the Supplies in electronic format to the Customer for approval. The Customer shall comment on them within five days of the submission thereof; if the Customer fails to provide their comments, the Customer shall be deemed to agree to the proposals for Supplies. The Supplier shall modify the proposals with regard to the Customer's requirements and have the modifications re-approved by the Customer.

4.3. The Supplier undertakes to submit documentation relating to the Supply to the Customer by uploading the data to the electronic Advertising Partnership Register system (ERPA) within ten days of the lapse of the Contract period. If the Customer raises no objections in writing within five days, the Supply shall be deemed to have been completed in a proper manner.

4.4. The documentation relating to the Supply and copies of the Contract and the delivery certificate signed by both Parties must be uploaded to the electronic Advertising Partnership Register system (ERPA) by the Supplier.

4.5. The Contractor shall document any Supply to be delivered through television and radio broadcasting by uploading a list of the spots, reports etc. broadcast, and, in addition, by uploading a spot with the Customer's logo or logotype. An invitation for an event broadcast without the Customer being named or the Customer's logotype or logo being presented does not constitute a Supply.

Jun 4 The Supplier shall document any Supplies provided in nationwide or regional print by uploading a list of newspapers and magazines and individual printouts or scans, which must legibly show the Customer's logotype or logo.

4.7. The Supplier shall document any Supplies consisting in posters, leaflets, tickets, programs, books and other printed matter by uploading a list indicating the numbers, places and times relating to when and where they were distributed, and also by uploading scans of the prints.

4.8. The Supplier shall document Supplies consisting in advertisements on billboards, citylights and other large-format advertising surfaces as well as advertisements on boards, desks, tarpaulins, banners and cars by uploading a list indicating the numbers, places and times relating to when and where (as part of what event) they were placed, and also by uploading photos showing the Customer's logotype or logo.

4.9. The Supplier shall document the Supplies provided in the form of Web advertising by uploading a print screen of each relevant Website where the Customer's logotype or logo has been placed.

4.10. The Supplier shall document photographs from events by uploading them along with captions indicating sections of the Contract referring to specific parts of the Supply. The photographs must clearly show that the advertising carrier or promotional stand of the Customer is located at the event venue as specified under the Contract.

4.11. The Supplier shall document any oral promotion of the Customer by uploading an audio or an audio-visual recording, identifying the relevant passage or, where appropriate, by uploading a written affidavit of the Supplier.

4.12. If, during the execution of Supplies, the Customer finds out that the Supplier's deliverables are defective, the Customer has the right to request that the Supplier take corrective action with no undue delay, and in any event no later than on the following day.

4.13. The Supplier agrees to the disclosure of data concerning the Contract, where relevant.

## 5 WORK AT THE PLACE OF PERFORMANCE AND AT THE CUSTOMER'S SITE

5.1. The Supplier undertakes to provide the Customer with information on the scope and manner of executing the work by completing a questionnaire (the ČEZ\_FO\_0648\_Contractor Questionnaire may be consulted at [https://www.cez.cz/webpublic/file/edee/ospol/fileexport/ospolecnosti/pro-dodavatele/pravidla-chovani/cez\\_fo\\_0648r01.docx](https://www.cez.cz/webpublic/file/edee/ospol/fileexport/ospolecnosti/pro-dodavatele/pravidla-chovani/cez_fo_0648r01.docx), or the questionnaire may be transmitted by the Customer to the Supplier to be filled out by the Customer for filling out on the day of formation of the Contract, yet in any event at least fifteen days before the takeover of the Place of Performance). The Supplier shall send the original of the completed

questionnaire to the Customer, for the attention of the person representing the Customer in technical matters and matters related to the execution.

5.2. Pursuant to Section 101(3) of the Labor Code, where employees of two or more employers perform tasks at the Place of Performance, the Customer shall coordinate the measures adopted to protect occupational health and safety of the employees and the procedures using which the measures are put in place until the Place of Performance is taken over by the Supplier (hereinafter referred to as "OHS Coordination"). Once the Place of Performance is taken over, the Supplier shall be in charge of OHS Coordination as per the code of conduct set out at <https://www.cez.cz>, section: About the Company ► About ČEZ Group ► For Suppliers ► Code of Conduct at ČEZ Group Electric Power Plants ► coal-fired and hydroelectric power plants or, for Supplies at nuclear power plants, as specified in the shared document entitled ČEZ\_SD\_0006 "Occupational Health and Safety and Occupational Hygiene". Prior to commencement of the Supply, the Parties shall mutually exchange information on the risks inherent in their operations., The Supplies may not be commenced unless the foregoing has taken place.

5.3. If construction work and construction activities are undertaken at the Place of Performance exposing natural persons to an increased risk to life or harm to health, as set out under Annex 5 to Government Decree No. 591/2006 Coll., laying down detailed minimum requirements for occupational health and safety at construction sites, and where the Supplier, when executing construction work, fulfills the criteria under Section 15(1) of Act No. 309/2006 Coll., laying down other conditions of occupational health and safety, the Supplier shall ensure that an OSH plan is drawn up and submitted to the Customer for approval. If the Supplier executes work against design documentation submitted by the Customer, which includes an OHS Plan, the Supplier shall review the correctness and completeness of the plan and, where necessary, of the work and propose adjustments to the Customer.

5.4. The Supplier undertakes to provide the Customer with the necessary cooperation to fulfill the obligations pursuant to Act No. 309/2006 Coll., laying down other conditions of occupational health and safety.

5.5. Where the Supply is provided at the Customer's Site, the Customer shall transmit the Place of Performance to the Supplier in a certificated manner. If the Supplier provides the Supply at the Customer's Site where the Customer applies a code of conduct or a similar code, the Supplier undertakes to ensure that their employees, employees of their subcontractors, and self-employed persons engaged in any work on behalf of the Supplier (hereinafter referred to as the "Supplier's Personnel") comply with the obligations set forth in such codes, in particular in the Code of Conduct that may be consulted at [www.cez.cz/cs/ospolecnosti/pro-dodavatele/pravidla-chovani.html](http://www.cez.cz/cs/ospolecnosti/pro-dodavatele/pravidla-chovani.html), applicable to particular Customer's Sites. By entering into the Contract, the Contractor confirms having reviewed such codes. If the code or other internal guidelines are amended in the course of the Supply, the Supplier shall be informed in writing of such amendments and shall ensure compliance with the updated code by the aforementioned persons.

Jun 5 If the Place of Performance is located within a guarded area of a nuclear power plant (hereinafter referred to as the "NPP"), the following rules also apply:

5.6.1. When fulfilling a Contract, the Supplier shall observe the internal guidelines of the Customer specified in the "List of Documents Binding upon Suppliers", as in force, (hereinafter referred to as "ZDD") and comply with the conditions stipulated therein (with individual documents regulating the Temelín and Dukovany NPPs). The Customer shall notify the Supplier of the manner and the possibilities of reviewing the ZDD. The ZDD is a set of documents containing internal guidelines of the Customer, which the Supplier and their Personnel are obliged to observe. The Supplier shall also comply with other internal regulations of the Customer that are not contained in the ZDD and which have been communicated to them or in respect of which the Supplier has been provided with a way and an opportunity to review them. This is without prejudice to the Supplier's obligation to comply with obligations under the applicable legislation and the Contract. Repeated violations of these obligations and rules shall be regarded as a material breach of the Contract authorizing the Customer to withdraw from the Contract. Prior to the commencement of the work, the Supplier shall demonstrably make sure their Personnel have been demonstrably instructed in these rules and legislation and ensure adherence thereto. The Customer has the right to check compliance with this obligation and make entries on the results of the check, typically in the Logbook.

5.6.2. The Contractor shall send their Personnel who are going to enter the NPP to attend a training event as specified in the Customer's Shared Documentation No. ČEZ\_ME\_0012 - Instruction for NPP Contractor Personnel and the methodology note ČEZ\_ME\_0899 Compliance with Safety Requirements for FO, JM and JZ, transmitted as part of the ZDD; ensure compliance with the Customer's conditions for Personnel entering the NPP; and assume responsibility, at all their work posts located there, for compliance with regime measures and emergency preparedness. The Contractor undertakes to ensure that their Personnel entering the NPP comply and are familiar with the provisions of Shared Documentation No. ČEZ\_SD\_0006 "Occupational Health and Safety" transmitted as part of the ZDD. Repeated violations of these obligations shall be regarded as a material breach of the Contract authorizing the Customer to withdraw from the Contract.

5.6.3. The Contractor undertakes to ensure that the Personnel they use in delivering the Subject of Supply (including their subcontractors), if they enter the guarded area, and/or the vital area of the Dukovany NPP or the Temelín NPP, meet the conditions under Act No. 263/2016 Coll., Atomic Act.

5.6.4. If the Supply is provided on site at the Dukovany or Temelín NPPs, the Supplier shall comply with all internal guidelines and instructions of the Customer relating to occupational safety and hygiene, fire protection and technological safety, waste disposal, site order and regime measures regarding the movement of persons and transport of material across the Dukovany or Temelín NPP sites that have demonstrably been communicated to them. The Contractor shall also be responsible for the actions of their own and their subcontractors' personnel. Among other things, the Supplier undertakes to comply with any instructions relating to the prohibition to use radio stations and mobile telephones. Radio stations and mobile telephones must be switched off in all areas and rooms marked with a warning sign, especially in the main production unit buildings: the engine room, longitudinal intermediate building, cross



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intermediate building, diesel generator station. Prior to commencing the work, the Supplier shall demonstrably make sure their own and their subcontractors' personnel have been instructed in and comply with these rules and regulations.

5.6.5. As regards radiation protection, the Supplier's obligations and the Customer's cooperation are governed by the internal guidelines contained in the ZDD.

5.6.6. The Customer shall be regarded as the originator of waste generated in the guarded area of the nuclear power plant in connection with the Supply. When delivering the Supply, the Contractor shall respect the provisions of the ZDD (in particular ČEZ\_SD\_0010).

5.6.7. The Supplier shall be regarded as the originator of waste generated outside the NPP guarded area in connection with the Supply. The handling of any waste generated in connection with the Supply, including handling, transport and disposal shall be provided by the Supplier. The Contractor shall observe Act No. 185/2001 Coll., on waste and amending certain other acts when delivering the Supply. The activity is included in the contractual price. This is without prejudice to the provision under Art. 3.6.

5.6.8. In the event of an emergency, the Customer undertakes to ensure the relevant emergency protection protocol is in place for the Supplier's Personnel present at the NPP (safe refuge sites, preventative iodine administration, evacuation). The Supplier shall ensure their personnel takes part in any emergency drills without a claim to financial compensation. In the event of an emergency, the Supplier's Personnel is obliged to follow the instructions of the shift engineer and the emergency staff of the Customer.

## 6 RIGHTS AND OBLIGATIONS OF THE CONTRACTING PARTIES UNDER THE CONTRACT

6.1. The Supplier shall allow the Customer to examine the Supply at any time before its transmission (handover), in particular before covering any critical parts of the Supply, in the manufacturing plant, during transport as well as at the Place of Performance.

6.2. Where the Supply is delivered to a Place of Performance outside the Customer's warehouse, the Supplier shall notify the Customer's agent indicated in the Contract of the delivery of the Supply by email or phone, not later than three working days before the planned date of delivery. The Customer is not obliged to accept the Supply before the agreed date.

6.3. The items comprising the Supply must be new and unused, and must exhibit the quality standard, quantity, measurements, weight and workmanship, as appropriate, as specified by the Contract and the applicable legislation, be free of defects, and comply with the binding technical, hygiene and safety standards and legislation. Where the quality standard and workmanship of the Supply are determined against a sample or a model, the Supplier shall transmit (hand over) the Supply with the properties of the sample or model submitted by the Customer.

6.4. The Supplier shall deliver Supplies that do not contain any substances, the use of which is restricted or prohibited by general binding legislation, in particular polychlorinated biphenyls (PCBs), asbestos, chlorine, fluorine or mercury. In the event that the Customer requires the Supplier to deliver a Supply containing such substances, the Supplier shall notify the Customer thereof prior to the conclusion of the Contract, unless this clearly follows from the transaction itself. The Supplier shall deliver any Supplies that constitute dangerous substances or dangerous mixtures under Act No. 350/2011 Coll., on chemical substances and chemical mixtures, as amended, and ensure the transport thereof, in properly labeled containers, with the appropriate Material Safety Data Sheets attached. The Material Safety Data Sheets of chemical substances and mixtures (pursuant to Regulation (EC) No 1272/2008 of the European Parliament and of the Council on classification, labeling and packaging of substances and mixtures), the Exposure Scenario (pursuant to Regulation (EC) No 1907/2006, as amended, concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH)), and the CERTIFICATE and Material Data Sheet (unless submitted as part of the Material Safety Data Sheet) must be submitted to the Customer free of charge in paper and electronic formats to: [bezpecnostni.listy@cez.cz](mailto:bezpecnostni.listy@cez.cz), at the latest with the delivery of such chemical substances and mixtures, with any subsequent revisions to such documents to be furnished once they are drawn up. The Supplier shall indicate the Use by Date or the Best Before Date on the packaging and in the delivery note. If a Material Safety Data Sheet, Exposure Scenario, CERTIFICATE or Material Data Sheet is not submitted at the latest with the delivery of the goods, or if the Use by Date or the Best Before Date is not indicated, or if more than 1/3 of the expiration period (or minimum storage life) has already elapsed at the time of the delivery, the delivery shall be considered defective. If a chemical substance or a mixture to be delivered is not classified as dangerous under the aforementioned legislation, the Supplier shall submit a statement along with the goods to the effect that the chemical substance or mixture does not exhibit dangerous properties.

6.5. The Supplier shall in particular submit the following documents in the Czech language to the Customer, along with the Supply: Operating and Maintenance Instructions, Certificate of Conformity, Material Safety Data Sheet of Chemical Substances and Mixtures, Certificate of Quality and Completeness, Material Certificate and any other technical documentation forming part of the Supply. In the event that using the Supply is subject to an approval of a state authority or any other authority provided by law (for example, a state laboratory or an authorized testing laboratory), the Supplier shall submit an official decision or certificate of approval.

6.6. In the event that the Supply includes items the import of which is subject to an import permit under EC law, the Supplier shall fulfill all the obligations laid down by said legislation. A Supplier from the Czech Republic (with its registered office in the Czech Republic) must also follow Act No. 594/2004 Coll., implementing the European Union regime for the control of exports, transfer, brokering and transit of dual-use items and Act No. 263/2016 Coll., Atomic Act, and their implementing decrees. Where the Supply is only included among items subject to the import permit obligation during the performance of the Contract, the Supplier shall immediately notify the Customer thereof. A nuclear item cannot be delivered unless an import permit has been obtained.

6.7. If the Supply or any part thereof is identified with a part or model number, a description or an industrial design specified in the Contract, the Supplier shall ensure that the Supply or a

part thereof meets all the requirements of the latest version of the relevant manufacturer's catalog or technical data sheet, description or industrial design. If the Supplier is not the manufacturer of the Supply, they shall make every effort to ensure that the Supply or a part thereof is manufactured by the original manufacturer and complies with the relevant catalog or technical data sheet, description or industrial design. If the Supplier intends to deliver an alternative Supply that may not necessarily meet the requirements set out above in this provision, the Supplier shall inform the Customer of any deviations and obtain their written consent before handing over the alternative Supply to the Customer.

6.8. A Suspected or Counterfeit Supply or any part thereof shall be presumed defective and may be returned to the Supplier or retained by the Customer for later investigation. The Supplier shall, without undue delay, replace any Suspected or Counterfeit Supply or any part thereof with such a Supply that meets the requirements set out in the Contract and reimburse the Customer for any and all reasonably incurred costs associated with conducting inspections and tests, disassembling, replacing and reinstalling the Supply or any part thereof. The Customer's rights arising from a Counterfeit or Suspected Supply shall become statute barred 10 years after delivery of such a Supply.

6.8. The Supplier shall not be entitled to any additional payments and extensions of the Period of Performance due to misinterpretation of any supporting documents related to the Supply.

## 7 HANDOVER AND ACCEPTANCE OF THE SUPPLY

7.1. The Customer shall only be obliged to accept the Supply from the Supplier if the Supply is handed over (transmitted) to them in a proper manner, i.e. in accordance with the conditions laid down under the Contract and in accordance with the generally binding legislation. The Customer may choose to accept the Supply even if it contains defects that do not prevent its proper and safe use; this is without prejudice to their claims under such defects.

7.2. Along with the Supply, the Supplier shall transmit to the Customer a draft written certificate of handover and acceptance of the Supply, declaring that they have delivered the Supply in a proper manner.

7.3. In the event that any defects are listed in the written certificate of handover and acceptance of the Supply, the Supplier shall be deemed to have been taken over by the Customer subject to the removal of all the listed defects within the specified time limit; if no time limit is specified, the Supplier is obliged to remove the defects immediately, and in any event within 15 days at the latest.

7.4. The Supplier shall carry out the tests to demonstrate compliance of the Supply delivered with the Contract in the presence of the Customer and shall bear all costs associated with such tests, including where the tests must be repeated due to a failure to demonstrate the performance values of the Supply required under the Contract.

7.5. The Customer shall only be obliged to accept the Supply on business days, between 7:00 am to 3:00 pm. The Supplier shall deliver the Supply at the Place of Performance agreed upon under the Contract, subject to the DDP term according to INCOTERMS 2010.

7.6. For tangible supplies, the Supplier shall package the Supply in such a way as to avoid any damage or destruction. Unless otherwise specified in the certificate of handover and acceptance of the Supply (delivery note, etc.), the packaging, in which the Supply is delivered, shall be considered non-returnable and its cost included in the Price. The Supplier shall take back from the Customer any returnable packaging and used products, covered by the take-back obligation as defined under the applicable legislation.

7.7. The Supplier shall at all times mark any item and postal consignment with the Customer's Contract number on the outside packaging.

## 8 PASSAGE OF TITLE, PASSAGE OF RISK OF DAMAGE TO THE GOODS

8.1. The title to any item that is part of the Supply shall pass from the Supplier to the Customer at the time of delivery, fulfillment or payment (where payment also denotes an advance payment), whichever occurs earlier.

8.2. Regardless of the acquisition of title to the item, the liability for the item and for its protection and the risk of a loss or destruction of, or damage to, the item or any other harm shall pass from the Supplier to the Customer at the signature of the written certificate of handover and acceptance of the Supply between the Supplier and the Customer.

8.3. The risk of damage to, or accidental loss and destruction of, any item, on which the Supplier is supposed to complete the Supply, and any and all items and workplaces taken over, shall pass to the Supplier upon handover and acceptance of such items and workplaces. The risk of damage shall pass back to the Customer with the handover and return of the items and workplaces.

## 9 TERMS OF PAYMENT

9.1. All payments shall be made against electronic invoices to be issued by the Supplier. In the event that the Supply is accepted against an acceptance certificate, the date of acceptance of the Supply indicated in the certificate of handover and acceptance of the Supply shall be the date of taxable transaction.

9.2. The Supplier's claim to the payment shall be supported by an invoice with a proper description of the Supply as well as other required documents as specified under the Contract. The Customer shall pay the Supplier the Price specified under the Contract upon receipt of the invoice and the written certificate of handover and acceptance of the Supply signed by the Authorized Representatives of both Parties documenting the acceptance (delivery) of the Supply.

9.3. The payment shall be made by wire transfer to the bank account of the Supplier indicated in the Contract. If the Supplier is a VAT payer (hereinafter referred to as the "Czech Republic Tax Payer") registered pursuant to Act No. 235/2004 Coll., on value added tax, as amended (hereinafter referred to as the "VAT Act"), the account must be a bank account held with a domestic payment service provider and published in a manner allowing remote access



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pursuant to Section 96(2) of the VAT Act. The bank details may only be changed through a written amendment. The notification must be signed by persons authorized to sign the Contract. For a Supplier who is a Czech Republic Tax Payer, the new bank account indicated must be with a domestic payment service provider and must be published in a manner that allows remote access.

9.4. Payments shall be made within thirty days starting from the day following receipt of the invoice by the Customer. The Customer shall not be deemed in default of the invoice payment if the amount corresponding to the Price is debited to the Customer's account and credited to the Supplier's account not later than on the last day of the payment period.

9.5. If the Customer accepts the Supply with minor defects that do not prevent the safe use of the Supply, the Supplier's claim to the payment of the Price equivalent to ten per cent of the Price as specified under the Contract shall only arise after all of the defects are removed (hereinafter referred to as the "retention amount"). If the Supplier fails to remove the defects listed in the written certificate of handover and acceptance of the Supply within the agreed time limit, the Customer may remove the defects themselves, with the costs thus incurred by them to be set off against the retention amount with a written notification to be sent to the Supplier. The Customer shall then pay the balance of the amount to the Supplier within thirty days of both Parties signing a defect removal record.

9.6. The initiation of insolvency proceedings with respect to the Supplier, which results in the Supplier being declared bankrupt or entering into liquidation shall authorize the Customer to claim a discount from the Price equivalent to ten per cent as fixed compensation of the Customer's costs associated with the removal of any defects in the Supply which the Customer will be unable to resolve despite this being their contractual obligation.

9.7. The Supplier shall become entitled to invoice the Price upon acceptance of the Supply.

9.8. The invoice shall contain information pursuant to Section 435 of the Civil Code, as amended, and the essentials specified for a fiscal and tax receipt under the relevant legislation and, in addition, the Customer's Contract Number and Supplier's bank details. An advance payment request and, for non VAT payers, the invoice shall contain: the "advance payment request" or "invoice" designation, its number, payment term, date of issue, trade names, registered offices, registration numbers and VAT registration numbers for both Parties, name and place of residence for natural persons and, if appropriate, Supplier's place of business, identification of the financial institution and bank account number of the Supplier, identification of the Supply, invoiced amount, settlement of advance payments, where relevant, name of the person responsible for issuing the advance payment request or invoice (hereinafter referred to as the "invoice") and other essentials requested under the Contract. The invoice shall always include the Customer's Contract number. In its Invoice, the Supplier may indicate the name of a person responsible for issuing the Invoice and their e-mail address. The Invoice shall be issued electronically in a format that complies with the European Standard on Electronic Invoicing (for the relevant requirements and technical specification, please refer to <https://www.cez.cz/isdoc>) or in the PDF format (ideally "a generated PDF/a" for the sake of archiving and data volume minimization); every such document with its attachment(s) shall form one document. An e-mail address to which PDF Invoices should be sent is specified in Art. 1.4. of these GTC. The e-mail format is recommended to be text ("Plain Text"); the e-mail message may not contain any attachments that are not related to the Invoice and make automated processing more difficult (such as a company logo in the message body, another e-mail attached, etc.). The maximum e-mail message size is 10 MB; messages of greater sizes are significantly more likely not to be delivered. A qualified/guaranteed electronic signature is not required on the PDF Invoice or e-mail message to which the PDF Invoice is attached. Alternatively, the Provider may send its PDF Invoice to the Customer's data box. The Invoice will be deemed delivered once the e-mail message has been delivered to the e-mail inbox designated for receiving Invoices or once a relevant data message has been delivered to the Customer's data box.

9.9. If the Invoice does not include the essential information specified in Art. 9.8 or if the Supplier's bank account number differs from the one specified in the Contract or in a written notification of bank account change, the Customer shall reject the Invoice and inform the Supplier to this effect by e-mail, stating a reason for rejecting the Invoice and inviting the Supplier to issue a new Invoice. The Customer shall send its notification of Invoice rejection primarily to the e-mail address from which the Invoice was sent or, as the case may be, to the e-mail address specified in Art. 9.8 or to any other known e-mail address of the Supplier. Upon receipt of the new, completed or revised invoice, a new payment term shall commence for the Price. All bank charges and fees incurred by the Customer and associated with the payment of the Price shall be borne by the Customer; any other bank charges and fees associated with the performance of the Contract shall be borne by the Supplier and are included in the Price.

9.10. If the Customer is a Czech Republic Taxpayer and if it can be reasonably assumed, pursuant to Section 109 of the VAT Act, that the Customer as the recipient of the Supply may become liable to any unpaid tax on such Supply, the Customer may pay the Supplier's value added tax directly to the Supplier's tax administrator for the purposes of applying a special tax collection method as foreseen under Section 109a of the VAT Act. The Customer shall notify the Supplier of making the payment in writing. Any tax paid in this manner shall be deducted from the Supplier's receivables from the Customer and therefore, the Supplier may not claim payment of the amount thus paid from the Customer.

9.11. The Parties have agreed that any claims arising out of this Contract may be assigned solely with the prior written consent of the other Party. Where the Supplier is a Czech Republic Tax Payer, the consent to the assignment of receivables must include an agreement between the Parties regarding the manner in which VAT will be paid on the Supply to which the assigned receivables relate, so that tax is paid in a proper manner and the recipient of the taxable transaction does not become liable to the tax pursuant to the provisions of Section 109 of the VAT Act. If the agreement is not reached, the consent to the assignment of receivables may be withheld.

9.12. An invoice must be sent to the Customer at the address dedicated to receiving invoices. The Customer shall bear no liability for default of payment of the Price if the invoice is attached to the consignment.

## 10 QUALITY WARRANTY

10.1. The Supplier undertakes to ensure that during the warranty period the Supply will remain fit for the purpose set out in the Contract and where no such purpose has been agreed, fit for the usual purpose, and that it will exhibit the agreed or usual properties, as appropriate. The warranty period shall end with the lapse of twenty-four months and, for construction work, within sixty months of the day of acceptance of the Supply by the Customer.

10.2. The Customer shall have no defect claims as long as the Supplier may prove that the defects concerned have occurred as a direct consequence of the Supply having been used in contravention of the Contract during the warranty period. Until the Supplier proves that they are not liable for such defects, the Customer shall be deemed to be entitled to the defect claims and the Supplier shall be deemed obliged to remove such defects if requested by the Customer to do so during the warranty period, as if the Customer were entitled to such defect claims. If the Supplier demonstrates already at the time of removing the defects that the Customer is not entitled to such defect claims, the Supplier shall continue in the removal of such defects, unless otherwise specified by the Customer; in such a case, the Customer shall compensate the Supplier for all reasonable costs incurred in that context. The same applies where it is only established ex post that the Customer was not entitled to such defect claims.

10.3. The Customer shall allow the Supplier to have access to the Supply in order to examine the reported defects without undue delay, depending on the operational capacity of the Customer. The Supplier shall initiate the defect removal efforts within forty-eight hours of being notified of the defects or, as appropriate, within a reasonable time limit set out by the Customer taking into account the nature of the defect and their operational capacity. The Supplier shall continue with the removal efforts on an ongoing basis deploying an optimal number of personnel and equipment and where permitted by conditions at the workplace, using shift work in order to remove the defect within the time limit agreed between the Parties at the latest and where no such time limit has been agreed, within 15 days of receiving the Customer's defect notification. Failing that, the Supplier shall be deemed in default of removal of the defect unless the Customer specifies a new time limit. If the Supplier fails to initiate their defect removal efforts within the specified time limit or is otherwise in default in respect of the defect removal, the Customer may remove the defect themselves or have the defect removed at the expense of the Supplier.

10.4. The Supplier shall compensate the Customer for any and all reasonable costs incurred by the Customer in the context of the defect removal. The compensation of such costs shall be payable within thirty days of receipt of the relevant invoice from the Customer.

10.5. A part replaced or newly delivered during the warranty period shall be subject to a new warranty period, which shall commence on the day of the replaced or newly delivered part of the Supply is commissioned.

10.6. Removal of a defect shall be without prejudice to the Customer's claim to a contractual fine and damages. During the handling of a complaint concerning a defect, the warranty period shall be suspended in relation to the entire Supply from the moment a complaint is applied until the complaint is resolved, i.e., the warranty period shall resume once the complaint is finally resolved.

## 11 COPYRIGHT AND INDUSTRIAL PROPERTY RIGHTS

11.1. Where the subject of the Supply or any part of the Supply meets the conditions of copyrighted work, the Supplier shall include the granting of a license to use the work to the Customer. The license is a non-exclusive perpetual (in terms of the existence of the property rights), unrestricted (in terms of quantity) and global license, relating to both the developed copyrighted work as a whole and all its individual parts, covering all known methods of use of the work, in particular those that make it possible to modify, add to and extend the copyrighted work, and includes the right to grant sublicenses. By entering into a Contract, the Supplier gives their written consent to the Customer to grant sublicenses, as appropriate. The Customer may also allow persons that they control or that control the Customer or that report to the same controlling entity as the Customer to use the copyrighted work (license). The price of the License is included in the Price and it also encompasses the originator's claim to reasonable additional compensation.

11.2. The Customer may only use the developed copyrighted work in accordance with its specification and as specified under the terms and conditions of the Contract.

11.3. If the Supplier, while delivering on the Contract, uses an outcome of the activities of any third party, protected by industrial or other intellectual property rights, copyright, etc., and if the entitled person applies their claims vis-a-vis the Customer on the ground of such rights, the Supplier shall settle all property claim thus raised and shall be liable to any harm incurred by the Customer.

11.4. The Customer shall hold the rights of use in relation to the documentation submitted under the Contract as follows:

11.4.1. The Customer may provide the documentation obtained to a group of third parties that need to have it, who will carry out activities related to the operation, servicing, maintenance, upgrades of and investments in the equipment that is part of the Supply, and use the documentation in any tenders for the provision of such activities, where appropriate. The Customer shall not use the documentation beyond the scope of use as agreed under the Contract and shall not use it to service, maintain or operate third party equipment, or manufacture similar new equipment for the needs of third parties or provide the documentation to any third party to engage in any of the aforementioned activities for their own benefit or for the benefit of any other parties.

11.4.2. The Customer may use the aforementioned documentation for the purposes of operating, servicing, maintaining, upgrading or investing in any existing similar equipment or for the purposes of manufacturing new similar equipment that is or will be the property of the Customer and transmit the documentation, as necessary, to a group of third parties who will carry out the aforementioned activities for the Customer following a tender procedure.



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## 12 CONTRACTUAL FINES, DEFAULT INTEREST

- 12.1. If the Supplier fails to comply with any time limit or date, especially the date of Supply, the Customer shall have the right to charge the Supplier with a contractual fine equivalent to 0.5% of the Price for each commenced day of the delay and for each unfulfilled obligation.
- 12.2. If the Supplier is late initiating their removal efforts for any claimed defect, the Customer shall have the right to charge the Supplier with a contractual fine in the amount of CZK 1,000 for each commenced day of the delay and defect.
- 12.3. If the Supplier is late removing any claimed defect, the Customer shall have the right to charge the Supplier with a contractual fine in the amount of CZK 1,000 for each commenced day of the delay and defect.
- 12.4. If the Supplier is late transmitting (returning) the Place of Performance, the Customer shall have the right to charge the Supplier with a contractual fine in the amount of CZK 1,000 for each commenced day of the delay and defect.
- 12.5. If the Supplier violates the rules and regulations under Art. 5.6, they shall pay the Customer a contractual fine in the amount set out in the annex to the methodology note ČEZ\_ME\_0342 – "Application of Restrictive Measures in the NPP", and furthermore, the Customer reserves the right to restrict or deny access to NPP areas to the concerned personnel of the Supplier or their subcontractors and expel those that are already present there. Where the annex to the methodology note ČEZ\_ME\_0342 – Application of Restrictive Measures in the NPP does not specify the amounts of contractual fines for violating the Customer's internal guidelines, the amount of the fine for every individual violation of the aforementioned rules shall be CZK 1,000.
- 12.6. If either Party infringes an obligation relating to the protection of Non-Public Information, the infringing Party shall pay to the other Party a contractual fine in the amount of CZK 100,000 for each infringement.
- 12.7. If either Party is late with a payment charged in accordance with the Contract, the debtor shall pay to the creditor interest on late payment equivalent to 0.02% of the owed amount for each commenced day of the delay.
- 12.8. The debtor shall pay the contractual fine/late payment interest by a direct bank transfer to the bank account indicated in the Contract.
- 12.9. Any contractual fine or late payment interest shall be payable within thirty days of receipt of concerned payment request by the other Party.
- 12.10. Payment of a contractual fine shall be without prejudice to either the obligation to discharge the duty concerned in a proper manner or to the other Party's claim to damages.

## 13 PROTECTION OF NON-PUBLIC INFORMATION

- 13.1. The Parties shall protect the confidentiality of all Non-Public Information they come across as part of their mutual transactions, in any form whatsoever, in writing, orally, by observation or otherwise.
- 13.2. The Parties undertake to maintain the confidentiality all Non-Public Information and not to disseminate or reproduce and disclose such information to any third party. At the same time, the Parties undertake to protect the other Party's data carriers containing the Non-Public Information at least at the same level of protection and with the same quality standard of protection they apply to their own Non-Public Information.
- 13.3. In addition, the Parties undertake not to use the Non-Public Information without a prior written consent of the other Party in contravention of its purpose or the purpose of its disclosure for their own benefit or for the benefit of third parties, throughout the term of the Contract and then for such a period as the information may keep its value for the disclosing Party, but in any event at least for five years after the termination of the Contract.
- 13.4. If it is necessary for the Supplier to subcontract any activity to a third party, the Supplier may disclose the Non-Public Information to such a third party only with a prior written consent of the Customer and provided the third party assumes a contractual obligation in relation to the Supplier to protect the Non-Public Information disclosed at least as set out in these Terms and Conditions.
- 13.5. Either Party may, as necessary, disclose Non-Public Information that has been requested by state authorities, bodies and institutions without the other Party's consent.
- Jun 13 If the Contractor is an obliged party pursuant to the Section 2(1) of Act No. 340/2015 Coll., laying down special conditions giving effect to certain contracts, on the publication of such contracts and the Register of Contracts (Register of Contracts Act), as amended, unless the Contract qualifies for any of the exemptions from the obligation to publish contracts pursuant to Section 3 of the Register of Contracts Act, the Customer shall publish the Contract in the Register of Contracts after anonymizing any Non-Public Information and other data that is not subject to publication in the Register of Contracts. In such a case, the Contract shall only come into effect upon publication in the Register of Contracts. The Contractor shall receive a confirmation of the publication in the Register of Contracts from the Register of Contracts information system, sent to their data box (where applicable).
- 13.7. The aforementioned obligations do not apply to information that:
- 13.7.1. is or has become part of the public domain without the receiving Party being at fault;
  - 13.7.2. the receiving Party already held before receiving it from the disclosing Party;
  - 13.7.3. the receiving Party has lawfully received from a third party;
  - 13.7.4. the receiving Party has developed independently of the information received from the other Party, which the Party may demonstrate through their records.
- 13.8. Disclosure of Non-Public Information does not imply any right to license, trademark, patent, right of use of copyrighted work or any other intellectual or industrial property right.
- 13.9. All Non-public Information shall remain the property of the disclosing Party and shall be returned to the disclosing Party by the receiving Party within three working days of receipt of the disclosing Party's written request or if such information or data provided is no longer needed by the receiving Party.

## 14 CONTRACT TERMINATION

- 14.1. Either Party has the right to withdraw from the Contract on the ground of a material breach of the Contract by the other Party. The Supplier shall be deemed in material breach of the Contract in particular if: the Supplier assigns any of their obligations, duties or rights under the Contract or the exercise thereof to another party without a prior consent of the Customer; the Supplier repeatedly or in a gross manner breaches the rules concerning occupational health and safety, fire protection and any other safety rules at the Place of Performance or at the Customer's Site, or acts in a manner that may cause damage to the property of the Customer; the accumulated contractual fines imposed upon the Supplier under the Contract reach an amount equivalent to ten percent of the Price; the Supplier repeatedly fails to adhere to the technological procedures, breaches the quality of the Supply under the relevant standards, the Contract or applicable legislation; or the Supplier is late in respect to at least two partial completion dates by more than sixty days or is late in respect of the final performance date by more than thirty days; in such a case, the Customer shall not be obliged to compensate the Supplier for any costs incurred in connection with the performance of the Contract.
- 14.2. The Customer shall withdraw from the Contract by serving a "Notice of Withdrawal" on the Supplier. The Supplier shall follow the instructions indicated in the Notice. The Customer may obtain the Supply or a part thereof elsewhere or repair or otherwise bring the Supply into compliance with the Contract. Any associated costs exceeding the Price shall be compensated by the Supplier within thirty days of receipt of the Customer's invoice Unless otherwise specified in the Notice of Withdrawal, upon receiving it, the Supplier shall immediately:
- suspend the Supply or a part thereof;
  - terminate all subcontracts relating to the Supply;
  - transmit to the Customer the Supply as is and assign to the Customer all rights to the Supply including any intellectual property rights relating thereto. Withdrawal from the Contract shall not relieve the Supplier from their obligation to pay any contractual fines, their obligations under the quality warranty for any unfinished parts of the Supply and their obligation to provide damages, where applicable.
- 14.3. Termination of the Contract shall be without prejudice to any claim of the Parties to the payment of any amounts due, interests on late payments, contractual fines and damages as well as any other claims under the Contract. The Parties undertake to settle any outstanding obligations and duties of the Parties under the Contract that arose prior to the termination within forty-five (45) calendar days of the day of termination.

## 15 RULES OF ETHICAL CONDUCT IN A CONTRACTUAL RELATIONSHIP

- 15.1. The Contractor undertakes to follow ethical principles, laws, rules, and codes of conduct that fully comply with CEZ Group's Code of Conduct and CEZ Group's Legal and Ethical Business Compliance Policy. The Contractor has reviewed the Ethical Conduct Pledge that may be consulted at [www.cez.cz](http://www.cez.cz). The Contractor shall honor the Ethical Conduct Pledge when performing this Contract as well as any other contract, including in their relationships to third parties.
- 15.2. Regardless of the foregoing,
- (i) while the Supplier's employees are not obliged to individually sign their consent to honor the Ethical Conduct Pledge, the Supplier hereby undertakes to ensure their employee honor the Ethical Conduct Pledge.
  - (ii) The Supplier is not obliged to comply with the requirements under the Ethical Conduct Pledge where such compliance would result in a breach of the Supplier's obligation of confidentiality with regard to third parties.
  - (iii) The Ethical Conduct Pledge may not prevent the Supplier from exercising their rights under this Contract or any other contract.
  - (iv) The Supplier shall retain records relating to their supplies to the Client using the method usually applied by the Supplier.
  - (v) The Contractor shall exert reasonable effort to comply with CEZ Group auditors' justified requests for access to records concerning the Contractor's supplies to the Client but shall not be compelled to violate their standard procedures applicable to granting access to records; likewise, the Contractor shall not grant to the Customer or their auditors physical access to their records or their network;
  - (vi) Provisions of the Ethical Conduct Pledge concerning Intellectual Property and internal and confidential information, in particular the returning of support documents of a confidential or internal nature, shall not be applied to the extent the present Contract or any other contract specifies an alternative procedure applicable in specific circumstances.
  - (vii) No provision in the Ethical Conduct Pledge may prevent the Supplier from working for the Customer as long as the Supplier's internal rules for conflict of interests are complied with and the Supplier's contractual obligations towards the Customer and the CEZ Group are met;
  - (viii) The obligation to comply with money-laundering legislation applies to the Contractor to the extent the Contractor is subject to such legislation.
- 15.3. If the Customer does not comply with, or violates, in a gross manner, the Ethical Conduct Pledge, the Customer may withdraw from the Contract or any other contract, where relevant, with the withdrawal being the only claim resulting from such violation.
- 15.4. By signing the Contract, the Supplier warrants and represents that:
- (i) they comply with their obligations towards the State in a timely and proper basis, in particular their obligation to pay the value added tax on a timely and proper basis, submit proper, timely and transparent value added tax returns;
  - (ii) they are not in an economic position that could compromise their ability to fulfill their trade liabilities and/or obligations towards the State in a proper and timely manner, including their tax liabilities; and at the same time, taking into account their financial, economic and commercial position, there is no risk of the Supplier losing the ability to honor their trade liabilities or obligations towards the State, including tax liabilities, in a proper manner;



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- (iii). no insolvency proceedings have been initiated against them and there is no threat of such proceedings being initiated as the Supplier is not in a position that can be classified as bankruptcy under the applicable law and there is no risk of such situation occurring;
- (iv). they have never been involved and there is no risk that they will become involved in a tax evasion, or that they would themselves engage in tax evasion, i.e. by acting in contravention of the law, and that they have never engaged in an act of fraudulently eliciting tax advantages, and that they will never act in a manner that could be qualified as fraudulent elicitation of tax advantages, etc.;
- (v). they will ensure that all of their representations and warranties they have made to the Customer are and will remain valid and effective, true and complete throughout the term of the relevant contractual relationship.
- (vi). At the Customer's request, the Supplier shall provide the Customer with a confirmation from the tax administrator that the Supplier has no overdue tax liabilities.
- (vii). The Supplier shall inform the Customer, in writing and in a demonstrable manner, of any changes to the representations under (i) to (vi) above, without undue delay and in any event within 3 (three) working days after they became aware of such changes and/or after they could become aware of such changes had they exercised proper care, providing a detailed description of the change.
- (viii). The Supplier understands that if such change occurs with them during the performance that will be notified and/or such change occurs that will not be notified, but the Customer will be able to prove that such change has occurred, etc., this will constitute a material breach of the Contract pursuant to Article 14.1 and the Customer will have the right to withdraw from the Contract (as a whole or in respect of any specific supply as the case may be) and/or suspend the collection of supplies from the Supplier until remedy is provided.

18.2. Changes in the Contract may be made only by means of written amendments signed by the Authorized Representatives of both Parties; any other form of agreement is excluded. An agreement concerning the full content thereof is required for an amendment to the Contract to take effect. Changes of the Authorized Representatives of the Parties listed in the Contract or of the Supplier's telephone numbers can be communicated to the other Party in writing; such changes take effect on the date specified in the relevant notification or, if no such date is specified, on the date when such a notification was delivered.

18.3. The Parties may also request compensation for non-property damage.

18.4. The Supplier shall state the Customer's Contract number in all documents. Documents in connection with the performance of the Contract shall be sent to the mailing address indicated in the Contract. For the avoidance of doubt, electronic mail shall be deemed delivered at the time the email message or postal data message is sent and a paper document shall be deemed delivered on the third working day after dispatch; however, if the consignment has been sent to an address in a different country, it shall be deemed delivered on the fifteenth day after dispatch. The effects of a delivery shall occur even if the addressee thwarts the receipt.

18.5. The applicable legislation as well as any internal guidelines referenced by the Terms and Conditions or the Contract shall be used as in force (in the current revision); if they are repealed, the regulations or standards that replace them in terms of content shall be used instead (this does not apply to technical standards, which always apply in the wording referenced by the Customer).

18.6. The present Terms and Conditions come into force and take effect on 25 November 2020, superseding the previous version of the Terms and Conditions.

## 16 SPECIAL PROVISIONS APPLICABLE TO SUPPLIERS THAT ARE NOT TAX RESIDENTS OF THE CZECH REPUBLIC

16.1. Upon signing the Contract, the Supplier shall provide a declaration concerning their tax residence and the existence or absence of the Supplier's permanent business premises in the territory of the Czech Republic. By signing the Contract, the Supplier further undertakes to provide the Customer with an original certificate of their tax residence issued by the respective tax administrator.

16.2. By signing the Contract, the Supplier represents they are the beneficial owner of the proceedings generated under the Contract, within the meaning of the relevant treaty on the prevention of double taxation concluded between the Czech Republic and the country whose tax resident the Supplier is. If the Supplier is not the beneficial owner of the proceeds within the meaning of this provision, they shall immediately inform the Customer thereof.

16.3. The Supplier authorizes the Customer to deduct any withholding tax from the payments to be made to the Supplier pursuant to any treaty on the prevention of double taxation, where required by the applicable legislation. In such a case, the Customer shall pay the tax to the Czech tax authorities and provide the Supplier with a receipt issued by the Czech tax authorities certifying the amount of the withheld and paid tax, if such confirmation is requested by the Supplier.

16.4. In the event the conditions set out under Section 38e of Income Tax Act No. 586/1992 Coll. (hereinafter referred to as the "Income Tax Act") are fulfilled, the Customer shall be entitled to withhold the tax on any payments to be made to the Supplier in the amount as set out by the Income Tax Act or by a valid decision issued to the Supplier by their tax administrator in the Czech Republic. If the Supplier holds such a decision, they must make it available to the Customer before issuing the first invoice or immediately after it is issued by the tax administrator. Failing that, the Customer has the right to apply the tax collection mechanism in the amount determined by the Income Tax Act.

16.5. By signing the Contract, the Supplier undertakes to inform the Customer in writing with no undue delay of any changes on the part of the Supplier that may affect the correct application of the withholding tax or of the tax collection mechanism within the meaning of the preceding paragraphs of this Article, in particular of any changes to the Supplier's tax residence, of the establishment/decommissioning of the Supplier's permanent business premises in the Czech Republic, or any change to the beneficial ownership of the proceeds generated by the Contract,

## 17 PRIVACY PROTECTION

17.1. When performing the Contract, the Parties are generally obliged to proceed in accordance with Regulation (EU) No. 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), (hereinafter referred to as the "Regulation") and Act No. 101/2000 Coll. on personal data protection, as amended (hereinafter referred to as the "PDPA"). For details on the processing of personal data by the Customer go to <https://www.cez.cz/cs/o-cez/cez/ochrana-osobnich-udaju/informace-o-zpracovani-osobnich-udaju>.

17.2. If the Parties process personal data for the purposes of the Contract, they will enter into a personal data processing contract to that end pursuant to Article 28(3) of the Regulation and the PDPA.

## 18 OTHER PROVISIONS

18.1. The law of the Czech Republic shall be the governing law to the exclusion of the application of the United Nations Convention on Contracts for the International Sale of Goods (the Vienna Convention). The Parties shall settle any disputes in connection with the Contract before a general court with its jurisdiction given by the place of the registered office of the Customer as on the date of bringing the action.