



Terms and Conditions
for the Supply of Goods and the Provision of Services in the Area
of Information Technologies ("Terms and Conditions") issued
within the meaning of Section 1751 of Act No. 89/2012 Coll.,
the Civil Code, as in effect ("Civil Code")

A. Subject of the Terms and Conditions

I. Introductory provisions

1. These Terms and Conditions set out general organizational and business conditions for the Supply of goods and the provision of Services in the area of information technologies purchased by NET4GAS, s.r.o., a company with registered office at Na Hřebenech II 1718/8, 140 21 Prague 4, registered under Reg. No. C 108316 in the Commercial Register maintained by the Prague Municipal Court, Identification No. 272 60 364, Tax Identification No. CZ27260364 ("**Customer**").
2. Seller means any person that undertakes to supply Hardware (goods, equipment) to the Customer. Provider means any person that undertakes to provide an exclusive or non-exclusive right to use Software (license) to the Customer, or any person that undertakes to provide the Customer with Repair Service, Consulting Service, Maintenance Service, Support Service, Help Desk Service, etc. Contractor means any person that undertakes to develop for the Customer, based on the Customer's specifications, an Information System, or to perform a certain work for the Customer (for the purposes of these Terms and Conditions, the foregoing three types of persons are referred to as the "**Supplier**"). Supplier means any person that enters into an Agreement with the Customer in accordance with these Terms and Conditions.

II. Content of the Terms and Conditions

1. The Terms and Conditions contain the following sections:
 - Section A: Subject of the Terms and Conditions
 - Section B: General Provisions for All Types of Agreements
 - Section C: Special Provisions for Software Licenses
 - Section D: Special Provisions for Supply of Standard Software
 - Section E: Development of Custom Software
 - Section F: Special Provisions for Supply of Hardware
 - Section G: Special Provisions for Support Service, Hardware Maintenance Service, and Software Maintenance Service
 - Section H: Special Provisions for Consulting Service
2. All special provisions complement and take precedence over the general provisions pertaining to the applicable Performance.
3. In the event of discrepancy between these Terms and Conditions and the provisions of an Agreement, the provisions of the applicable Agreement have priority.



B. General Provisions for All Types of Agreements

I. Definition of Terms

- **Accident** is a condition that prohibits the use of an Information System/HW.
- **Accident Resolution** means either the restoration of the full use of an Information System as per the last valid data backup, or the implementation of a functional Walk-Around Solution which allows either the Information System to be used in a modified manner vis-à-vis the Design Documentation, or the status of the event to be changed from Accident to Problem.
- **Agreement** means (i) an Order or a Framework Order placed by the Customer and accepted by the Supplier in the manner defined in Part B, Article VI, Paragraph 6, Subsection 3, Letter a) or b) and Subsection 4 of these Terms and Conditions, or (ii) another written agreement containing the expression of the will of the Parties in a single document, entered into in the manner defined in Part B, Article VI, Paragraph 6, Subsection 3, Letter c) of these Terms and Conditions.
- **Application Software** means programs and routines of an Information System and thereto related documentation as well as subsequently released upgraded versions of such programs (Upgrades) and documentation in printed and machine-readable forms.
- **Application Software Function** is a function of Application Software defined in the Design Documentation.
- **Business Day** means any day with the exception of weekends and public holidays in the Czech Republic.
- **Computer System** means a functional unit comprising one or several devices and the agreed operating system.
- **Consulting Service** means the provision of technical consulting for the subject of Performance or an activity constituting a special subject of Performance.
- **Controller** has the meaning defined in the GDPR as amended or updated.
- **Critical Defect (Type A Defect)** means a Defect preventing all users of Software or Service from working and/or threatening the Customer's business or operations. Typically, the affected Information System fails in a way that makes it no longer usable, or the defect causes or is liable to cause material damage to data (for example, by disrupting database consistency or by compromising the integrity and confidentiality of data in a general manner). As a result of the Defect, the Information System cannot be used to carry out one of the important corporate processes for which the Information System has been supplied. Furthermore, considered a Critical Defect is a condition in which the response of particular functions of an Information System slows down by more than 50% vis-à-vis the flawless condition thereof. For the purpose of determining the response of a particular function, considered a flawless condition is the condition that exists following the completion of the Hot Phase or the condition in the preceding calendar month, whenever the response of the applicable function was faster (faster = flawless condition). The abovementioned conditions when a Critical Defect occurs are liable to jeopardize routine operation and cause high financial or other losses to the Customer. During testing, considered a Critical Defect is a Defect that prevents continuing the testing process, where the consequences of the Problem prevent, whether fully or in a restricted manner, running Software or providing a Service, and/or threatens the Customer's business or operations; it is an error that renders the entire system unusable.
- **Data protection impact assessment** has the meaning defined in the GDPR as amended or updated.
- **Data protection officer** has the meaning defined in the GDPR as amended or updated.
- **Data subject** has the meaning defined in the GDPR as amended or updated.
- **Technical Concept** – A document created during Stage 2 of the Project. The document describes in detail the scope of the Project, the implementation method, and impacts on



the infrastructure. In addition, the document contains a detailed timetable, and defines the scope of tests and training for key and end users. A sample Technical Concept is included in the Customer's document templates. Prior to the final approval of the Technical Concept, a presentation must be staged to the IT Department and the specialized department for which the Project is executed. The creation of the document is primarily the Supplier's responsibility. The Customer provides cooperation during the creation process. Starting on the date of approval by all parties, the Technical Concept becomes part of the agreement.

- **Defect** means a deviation from (i) a Function of Application Software declared in Design Documentation, and/or from (ii) agreed or customary functionality. A Defect may manifest itself as a Problem or an Accident.
- **Delivery and Acceptance Certificate** (record of delivery and acceptance) means a document by the signature of which the Customer certifies to accept the delivery of Performance from the Supplier in accordance with the delivery and acceptance terms specified in an Agreement.
- **Design Documentation** means an ensemble of documents containing the outcome of the individual stages of the development of Application Software, including a description of links to Information System configuration. Design Documentation serves as a material for System Implementation, for the acceptance of Application Software for use and operation, and for the use and Development of Application Software. Design Documentation includes the User's Manual and documents for distribution. Design Documentation also includes documents describing the arrangement of Application Software from the viewpoint of its structure in individual Information Systems. If the supply of Application Software includes Source Codes, Design Documentation includes a description of the Source Codes.
- **Project Concept** – An internal document created by the Customer's Project Manager at the beginning of Phase 1 of the project. The document is created in accordance with the relevant requirements. Its scope is defined by the Customer's Controlling Department.
- **Development of Application Software** means modifying and making additions to Application Software over and above the framework of performance of an Agreement and functions of Application Software specified in Design Documentation.
- **EEA** means the European Economic Area.
- **Framework Agreement** means a written agreement containing the expression of the will of the Parties in a single document, which is accepted or entered into in the manner set out for the entry into Agreements. On a mutatis mutandis basis, a Framework Agreement is subject to the provisions of these Terms and Conditions pertaining to Agreements (unless otherwise specified), except that a Framework Agreement alone may not be used to imply the Customer's or the Supplier's duty to order or provide any Performance, respectively. Specific rights and duties to which the Parties are subject only stem from a specific Agreement entered into on the basis of and in accordance with the applicable Framework Agreement.
- **Framework Order** means a written document titled "Framework Order" and issued by the Customer, which (i) constitutes a draft of the applicable Agreement to be entered into for a fixed term in consideration of a predefined subject matter of performance, (ii) defines, without limitation, quantity, price, payment, and delivery terms, and (iii) is delivered to the Supplier in paper form or in electronic form as a scanned copy of the Framework Order signed by the Customer. A Framework Order is subject to the provisions of these Terms and Conditions pertaining to an Order (unless otherwise stipulated).
- **Project Implementation Team** – A team that consisting of the Supplier's specific workers listed in the Supplier's bid. The team is responsible for supplying Software.
- **Go Live** – A milestone at which the Hot Phase begins.
- **Hardware** means a Computer System, a communication device, and a periphery. **Help Desk** is a worksite of the Supplier or the



Customer which is responsible for providing Hotline Service, providing miscellaneous information on the subject of Performance, receiving the Customer's complaints and notices of Defects, organizing the resolution of Problems and Accidents, and informing users of the person responsible for resolution, the resolution method, the method employed in the resolution of Problems and Accidents, and, where applicable, organizing the distribution of updated versions of an Information System and processing the Customer's other operation-related demands.

- **Hot Phase** means the operation of an Information System that begins after the overall completion of System Implementation (it comprises Verification Operation and Test Operation), during which all functions of the product are verified in Productive Environment. The Hot Phase is a period during which the Supplier provides additional support following the deployment of a new Software version for Productive Operation. The Hot Phase is considered flawlessly completed provided that no Critical Defect or Material Defect occurs during no less than three weeks prior to the completion of the Hot Phase and, concurrently, no more than 10 Non-Material Defects have been reported upon the completion of the Hot Phase. Unless all conditions for the flawless completion of the Hot Phase are fulfilled, the Hot Phase is extended for a time necessary for the fulfillment.
 - **Implementation Team** - means a team consisting of the Supplier's staff indicated in his offer, that implements the supply of the Software.
 - **Incident** is an event which is not a part of the Productive Operation of an Information System, and which causes, or is liable to cause, an interruption or reduction in the quality of a given service provided by the Information System. According to priority, Incident are classified as follows: a) Incident priority 1 – the manifestation of an Incident corresponds to or is caused by a Critical Defect; b) Incident priority 2 – the manifestation of an Incident corresponds to or is caused by a Material Defect; c) Incident priority 3 – the manifestation of an Incident corresponds to or is caused by a Non-Material Defect.
- **Information System** means a program (software product) or an ensemble of programs that allows the processing of data.
 - **Maintenance Service** means an ensemble of tasks carried out by the Supplier with the aim of ensuring problem-free uninterrupted operation of (i) an Information System in accordance with in accordance with the Project Documentation and, where applicable, update of the Information System, and/or (ii) Hardware.
 - **Man-Day** means eight (8) hours of work performed by one (1) person.
 - **Material Defect (Type B Defect)** means a Defect preventing more than one group of users of Software or Service from working and/or restricting the Customer's business or operations. Typically, a Material Defect also causes a failure of selected aspects of agreed functions resulting in the need for end users to perform additional tasks, to use more complicated ways to access Software functions, and to employ other ways to bypass the Defect, which slows down the use of the Software and reduces convenience. Considered a Material Defect is a condition in which the response of particular functions of an Information System slows down by more than 30% vis-à-vis its flawless condition. For the purpose of determining the response of a particular function, considered a flawless condition is the condition that exists following the completion of the Hot Phase or the condition in the preceding calendar month, whenever the response of the applicable function was faster. A Material Defect degrades functions of an Information System to an extent that restricts routine operation. During testing, considered a Material Defect is a Defect which causes a serious error in processing or tests, but which can be eliminated using a certain effort by measures taken on the part of the Customer (such as organizational measures), so that processing or tests can continue for a limited time, or which is for a certain time acceptable despite temporarily restricting system



- functionality or reducing performance parameters.
- **Report** means a form that serves for reporting a Defect, Incident, Problem, Accident, or a request made by the Customer.
 - **Non-Material Defect (Type C Defect)** means a Defect not meeting the criteria of a Critical Defect or a Material Defect.
 - **Office for Personal Data Protection (OPDP)** means supervisory authority, as defined in the GDPR.
 - **Order** means a paper document, designated as an "Order" and issued by the Customer, which constitutes a proposal to enter into the applicable Agreement for the subject of Performance, and which is delivered to the Supplier in paper form or in electronic form as a scan of an Order signed by the Customer.
 - **Other Processor** means any person authorized by the Supplier to process the Relevant Personal Data.
 - **Parties** means the Customer and the Supplier jointly.
 - **Performance** means the Supply of goods or the provision of a Service.
 - **Personal Data** have the meaning defined in the GDPR as amended or updated.
 - **Personal data breach** has the meaning defined in the GDPR as amended or updated.
 - **Personal Data Protection Laws** mean the GDPR, EU Directives 2002/58/EC and 2009/136/EC (as transposed in and adapted to the domestic legislation of the EU Member States) or any other similar laws or regulations applicable to the Supplier or the Customer in any part of the world, always as amended and effective.
 - **Pilot Operation** means the simulation of operation in a testing environment in the framework of Phase 4 of a Project.
 - **Problem** means a condition of an Information System which only allows the Information System to be used to a limited extent or only a part thereof for the purpose for which it has been made, where such condition does not constitute full operation within the meaning of the Design Documentation. Not considered a Problem is a proposal for modification of a Function of Application Software that has been delivered for Productive Operation in a condition corresponding to the Design Documentation.
 - **Problem/Accident Resolution** is a series of actions leading to the resolution of a Problem/Accident: 1. Problem/Accident identification, 2. Definition of causes of Problem/Accident, 3. Actual resolution of the Problem/Accident, 4. Modification of documentation and operating tasks where necessary (methodology for using Application Software), 5. Signature of a Delivery and Acceptance Certificate or another document certifying the completion of the abovementioned actions (the document is signed by persons authorized by the Supplier and the Customer).
 - **Processor** and **process/processed/processing** have the meaning defined in the GDPR as amended or updated.
 - **Productive Operation** means the operation of a fully functional Information System or a module thereof in all organizational units based on the delivery of Performance as per an Agreement to the Customer following the completion of the Hot Phase and the signature of a Delivery and Acceptance Certificate.
 - **Project** is an ensemble of all activities leading to the execution of a work in accordance with an Agreement. A Project consists of five stages, each of which is completed by the acceptance of the outcome thereof. Stage 1 – Project Planning. This stage consists of defining the objectives of the Project, the timetable, the budget, and the organizational structure, and of selecting the Supplier. Stage 2 – Detailed Design. This stage consists of analyzing requirements; the outcome is detailed specifications for implementation – Technical Concept. Stage 3 – Implementation and Testing. Software is configured/programmed according to the definition (detailed specifications) prepared during the preceding stage; this stage includes testing. Stage 4 – Preparation for Productive Operation. This stage consists of preparing documentation for the implemented Software and of training users



of the Software. Stage 5 – Hot Phase. This stage consists of the verification of all functions of the product in a productive environment; this stage completes the execution of the Project.

- **Project Definition** – An internal document created by the Customer's Project Manager at the beginning of Phase 1 of the Project. The document defines the project targets, timetable, budget, TCO, and other basic parameters. The document is created using a template available from the Customer's document templates.
- **Record** means a document pertaining to Performance (bill of delivery, maintenance record, acceptance record, activity report, etc.). A Record does not constitute confirmation of the acceptance of Performance without Defects.
- **Project concept** - internal document prepared by the Project Manager on behalf of the Customer at the beginning of the 1st Phase of the project. This document is prepared according to the valid conditions and to the extent defined by the Customer's Controlling Department.
- **Relevant Personal Data** mean any personal data processed by the Customer or the Supplier on the basis of or in connection with any Contract entered into in compliance with these Terms and Conditions.
- **Repair Service** means the remedy of Defects in Application Software, the supply of new versions of Application Software for the purpose of improving its performance (Update/Upgrade), and modifications made due to legislative requirements or the need to repair flaws.
- **Request** is generally any demand the Customer has the right to make to the Supplier. A Request includes an Incident, a Request for Defect Resolution, and a Request for Software Development.
- **Response Time** is the time that elapses between the time of receipt of a written, fax, e-mail, or other Problem or Accident Report by the Supplier (Help Desk) and the time at which resolution of the Problem or Accident begins; if several methods for submitting a Report are used simultaneously, the response time begins upon the receipt of the Report using the first of such methods.
- **Resolution Time** means the length of time between the time at which a Problem or Accident is reported to the Supplier and the full resolution thereof by the Supplier. The Resolution Time does not include time during which the Customer fails to provide assistance necessary for the resolution of a Problem or Accident as well as time during which the Supplier suspends work with the consent or at the instruction of the Customer.
- **Service** means an activity conducted by the Supplier in connection with the subject matter of an Agreement. Such activities include, without limitation, Repair Service, Maintenance Service, the development of a custom computer program, the performance of a work, etc.
- **Software** is an umbrella term for an operating system, database systems, Application Software, and programs for which the Customer purchases or otherwise obtains licenses for the use thereof from the Supplier or from other suppliers, or which are developed by the Supplier in accordance with the Customer's specifications.
- **Software Product** means software, including documentation, and, where applicable, data or other supply (such as online data or software update services) supplied by the Supplier.
- **Source Code** (Source Program) means a program having the form in which it is created by the programmer (intellectual property created by the programmer – author).
- **Staff** means any present, former or potential employee, consultant, temporary or seasonal worker, agency worker, intern, another worker other than a permanent employee, Supplier or supplier, posted employee or any other staff member.
- **Supply** means the delivery of (i) movable goods or (ii) Software, with the exception of work created in the framework of the provision of Services, including the Supply of goods on a pay-by-installments basis or on a lease-to-own basis, where the Supply of goods includes putting such goods into operation provided that doing so is agreed under an Agreement (the supply of Hardware



is also subject to the conditions laid down in Section F, Article I, Paragraph 1).

- **System Implementation** means an ensemble of tasks aimed at putting Software into operation in accordance with rules defined to that effect.
- **System Integration** means the physical and functional interconnection of the subject of Performance with another piece of software in accordance with the Customer's specifications to the extent and in the manner set out in an Agreement.
- **Technical concept** means a document processed in the 2nd Phase of the Project. This document describes in detail the scope of the Project, the method of implementation, the impact on the infrastructure. It also includes a detailed solution schedule, scope of tests and training of key and end users. A sample of the Technical Concept is provided in the Customer's sample documents. Prior to the final approval, the Technical Concept must be presented to the IT department and to the special department, for which the Project is being implemented. The Supplier is primarily responsible for the processing of this document; while the Customer provides assistance. The approved Technical Concept becomes part of the contract on the date of approval by all parties.
- **Test Operation** means the operation of an Information System in all of the Customer's organizational units for the purpose of testing functionality. Test Operation is always carried out in the framework of Productive Operation as an integral part of the Hot Phase. Test Operation follows Verification Operation in case that Verification Operation is required for a given Project.
- **Unauthorized Intervention** means a demonstrated intervention in an Information System, which is contrary to the Project Documentation or other binding documents, unless carried out based on the Customer's (Ordering Party's) written instruction (including demonstrable instruction given by the Hotline). Also considered an Unauthorized Intervention is a failure to distribute an updated version of Application Software (Update or Upgrade) or the

distribution of the same contrary to the distribution documentation.

- **Update** means an update of a Software Product involving bug fixing, security updates, and minor improvements.
- **Upgrade** means a substantial change of functions, substantial increase in user comfort and scope of user functions, and other parameters of a Software Product; an Upgrade elevates quality to a higher level.
- **User's Manual** means (i) an ensemble of documents that serve for the control, use, and, where applicable, configuration of an Information System, by users, and (ii) in the case of documentation for Hardware, a guide for users for the use thereof and detailed installation instructions for technicians; all documents must be in the Czech language unless otherwise specified.
- **Verification Operation** means the operation of an Information System in selected organization units for the purpose of verifying functionality and collecting data for implementation in all of the Customer's organization units. Verification Operation is a part of the Hot Phase that precedes Test Operation. Verification Operation is carried out only as part of certain Projects based on a prior agreement between the Customer and the Supplier.
- **Walk-Around Solution** or **W/A** means a solution that does not repair a Defect directly but bypasses it to eliminate instantaneously its imminent manifestations and impacts on the operation of an Information System.
- **Working Time** means the time from 7:00 a.m. to 5:00 p.m. on a Business Day.

II. Services Provided by the Supplier

1. Scope of Performance

- 1.The scope of Performance is laid down in entered into Agreements.
- 2.The Customer is under no obligation to accept from the Supplier incomplete Performance of an Agreement.



3. Without the Customer's prior written consent, the Supplier may not provide Performance in excess of the ordered scope of Performance.

2. Place of Delivery and Performance

Unless otherwise agreed in an Agreement, the place for the delivery of Performance is the registered office of the Customer.

3. Time of Delivery and Performance

1. The fulfillment of the agreed Supply of goods or the provision of Services is subject to the deadlines and times agreed in an Agreement. The Customer is under no obligation to accept Performance before an agreed deadline.

4. Performance Documents

1. Every Supply of goods or provision of Services effectuated by the Supplier must be documented by means of a Record, which must be signed after the receipt of the Supply or Services by a person assigned to act on the Customer's behalf by the Customer in the relevant Agreement.
2. Requirements laid down in laws and regulations notwithstanding, a Record must specify:
 - identification of the Parties (business name, Identification Number, registered office);
 - place and date of Performance;
 - identification of Performance as per the Agreement; and
 - the number of the Agreement (Order) and Hardware serial numbers.

5. Cost of Transport

1. Goods must be supplied carriage free. The cost of transport, packing, and insurance and customs duty are paid by the Supplier. These costs are included in the price for Performance.

6. Risk of Damage to Goods and to Work in Progress

1. The risk of damage to Supply or Work in progress passes from the Supplier to the Customer upon the Customer's acceptance of such Supply or such Work.

7. Acquisition of Ownership Right

1. The Customer acquires the ownership right to Supply or Work created in the framework of the provision of Services upon the acceptance thereof.
2. If the subject of Performance in the framework of the provision of Services consists of the performance of a copyrighted Work, the Supplier grants to the Customer an exclusive license for such a work with no entitlement to any further remuneration. The license is granted for all known ways of use with no time, territorial, or quantitative restrictions. The Customer is authorized to grant sublicenses or to assign the license to any third party.

8. Return of Performance

1. The return of Supply or Work created in the framework of the provision of Services takes place at the Supplier's expense and risk. Following the delivery of Supply or Work created in the framework of the provision of Services to the first carrier for the Supplier, the risk of damage to Supply or Work created in the framework of the provision of Services passes on to the Supplier.

9. Subcontracts

1. The Supplier may charge another person with providing Performance, in full or in part, only with the Customer's prior written consent. If Performance is provided by another person, however, the Supplier always remains fully liable as if such Performance were provided by the Supplier itself.



10. Security Clause

1. Due to security reasons, the Supplier may provide its Services using its own Hardware and Software in or on the Customer's systems and networks only with the Customer's prior written consent.

11. Price

1. The Customer must pay the price agreed in an Agreement. If the Customer is required to deduct withholding tax from Performance in accordance with domestic laws or international double taxation treaties, the Customer may subtract such tax from the price paid to the Supplier in accordance with the applicable Agreement. At the same time, the Customer must pay withholding tax to the applicable revenue authority.

2. If the Supplier is a VAT payer, the Supplier may charge, in addition to the agreed price, VAT at the rate laid down in Act No. 235/2004 Coll. on Value Added Tax, as in effect on the date of taxable supply ("**VAT Act**"). If case that a reason exists for the Customer to provide security within the meaning of Section 109 of the VAT Act, particularly if the Supplier specifies an account other than that published by the revenue authority, the Customer may pay the amount of payable VAT directly to the account of the revenue authority instead of the Supplier, using the procedure laid down under Section 109a of the VAT Act. In the event that the Customer pays VAT instead of the Supplier as per the aforesaid, the Customer is only required to pay to the Supplier the price for duly delivered Performance excluding VAT, where the Customer must immediately inform the Supplier of having proceeded as per the foregoing.

3. The Customer undertakes to pay the price for delivered Performance against a tax document, which the Supplier is authorized to issue after Performance is duly accepted by the Customer. As regards recurring Performance or prices consisting of flat fees, the Customer undertakes to pay the agreed price retroactively, always in the month following the month in which the

Supplier delivers the applicable Performance to the Customer.

4. If the Parties so agree in writing, the Supplier may issue a tax document after the Customer accepts Performance containing minor Defects. In connection therewith, the Customer may retain up to 50% of the agreed price (retainage) until the Supplier repairs all Defects in Performance thus accepted by the Customer. The Customer must pay the retainage within 15 Business Days after the day on which the Parties draft and sign a record of repair of all Defects. The foregoing is not to prejudice the Customer's right to claim compensation for damage for the Supplier's delay in the delivery of Performance.

5. If the price for Performance is set in accordance with a budget, the Supplier guarantees the completeness of such a budget. The price is set as maximum permitted and non-modifiable. The price includes any and all of the Supplier's costs and risks relating to the preparation and delivery of Performance.

6. The Supplier declares to have examined in detail all circumstances of material importance for the performance of the subject matter of an Agreement and has taken the same into consideration in the agreed Price. The following applies:

- The price has been set to correspond to price levels in effect at the time of the complete delivery of Performance and in consideration of the expected development of input costs, customs duties, and the cost of any and all difficulties that can be expected to be encountered during Performance.

- The Supplier has examined the comprehensibility, scope, and completeness of documentation presented by the Customer, has clarified any and all unclear issues prior to the entry into an Agreement, and is capable of delivering Performance.

- The price includes all work and supplies, including auxiliary, secondary, and supplementary work, overhead costs, and equipment, which form a part of the complete and flawless provision of Performance.



7. The Supplier assumes the risk of change in circumstances within the meaning of Section 1765, Paragraph 2 and Section 2620, Paragraph 2 of the Civil Code.

12. Issue of Tax Documents

1. Following the provision of Performance, subject to the fulfillment of the requirements laid down under these Terms and Conditions and subject to compliance with the applicable laws and deadlines laid down thereunder, the Supplier must issue a tax document to the Customer for the payment of the price for the Performance (if the Supplier is not a VAT payer, the Supplier must issue another relevant accounting document), and deliver the same to the Customer's registered office.

2. A tax document must contain particulars required by laws of general application, the VAT Act in particular, particulars required for accounting documents, the registration number of the Agreement to which it applies, the number of the purchase document specified in the Agreement or provided to the Supplier in another way, and the number of the account to which a payment is to be made by the Customer.

3. As to tax documents issued for recurring Performance (Repair Service, Maintenance Service, lease or other Services), where the price is calculated for a certain period, the Supplier must clearly designate the billing period.

4. The Customer may return to the Supplier a tax document for corrections or additions if the tax document does not contain required or agreed particulars or has been issued contrary to an Agreement; the return of a tax document must take place prior to the due date thereof. In connection therewith, the Customer must inform the Supplier of the reason for returning the tax document. On the day of return of a tax document, the due date thereof is cancelled, whereupon the new due date will derive from the day on which the Supplier delivers a corrected tax document to the Customer.

5. The Supplier must enclose with all tax documents a copy of a Record certifying the acceptance or provision of Performance by the Customer (Delivery and Acceptance Certificate, activity report, delivery and acceptance record). In the event of violation of the foregoing duty, the Customer is under no obligation to pay the tax document until the Supplier complies with the obligation.

13. Payment Terms

1. The agreed price comes due 60 calendar days after the day on which a tax document, duly issued in accordance with these Terms and Conditions or an Agreement, is delivered to the Customer. If the due date of a tax document or accounting document falls on a weekend or a public holiday, the due date will be postponed to the next closest Business Day. The foregoing is not to prejudice the Customer's right arising under Paragraph 11, Subsection 4 of this Article (Retainage).

2. The price is considered paid on the day when it is debited from the Customer's account in favor of the Supplier's account.

3. In the event of delay in the payment of the price, the Customer must pay the Supplier late payment interest at the rate of 0.05% of the balance due for every day a payment is past due. Retaining a portion of the price as retainage is not to be considered delay in the payment of the price.

14. No Waiver of Acknowledgement

1. The payment of a tax document constitutes neither a waiver of rights relating to delay in the provision of Performance nor acknowledgement that Performance has been ordered or has been delivered free of Defects.



15. Special Cybersecurity Provisions

1. In consideration of the Customer's business operations and infrastructure used for the conduct of business, the Customer assumes that it will be designated, based on a general regulatory measure, as a person subject to requirements within the meaning of the relevant provisions of Act No. 181/2014 Coll. on Cybersecurity and Amendment to Related Acts (Cybersecurity Act), as in effect ("**Cybersecurity Act**"). Considering the foregoing, the Supplier undertakes to deliver Supply based on the Agreement in accordance with (i) the Cybersecurity Act, (ii) the Customer's security management directives and requirements (of which the Supplier has been demonstrably informed), and (iii) the Customer's cybersecurity requirements (of which the Supplier has been demonstrably informed) until the time at which the Supplier is demonstrably delivered a copy of the general regulatory measure based on which the Customer is designated as a person subject to requirements within the meaning of the applicable provisions of the Cybersecurity Act.

2. The Supplier's duties include, without limitation:

- a) providing any and all Supply and managing any and all cybersecurity risks relating to providing any and all Supply in accordance with (i) relevant laws and regulations, particularly the Cybersecurity Act, (ii) appropriate professional care, and (iii) the highest standards available in the IT field. In the event the Supplier violates the duty laid down under this subsection, the Customer has the right to withdraw from the Agreement within the meaning of the provisions of Section B, Article III., Paragraph 5, Subsection 2, Letter d) of these Terms and Conditions;
- b) observing the management of information security within the meaning of the Cybersecurity Act (including implementing regulations) and refraining from disrupting and acting contrary to such information

security management in any way whatsoever;

- c) submitting to the Customer, without unnecessary delay but no later than 30 (thirty) calendar days after the delivery of the Customer's request, any and all documents and records created in connection with the management of cybersecurity risks by the Supplier, including, without limitation, (i) audit findings (if the Supplier holds an ISO/IEC 27001 certificate, the Supplier must submit audit findings conforming to the certificate), (ii) the results of the last audit or inspection concerning information security, cybersecurity, (iii) any and all statuses of individual corrective measures, and (iv) any other information referred to in the Cybersecurity Act (including implementing regulations). The Supplier must submit the afore stated in cases where government authorities conduct an audit or inspection, as per the foregoing, of the Customer or the Supplier, where submission must take no later than 15 (fifteen) calendar days after the delivery of the Customer's request. In the event the Supplier violates the duty laid down under this subsection, the Customer has the right to withdraw from the Agreement within the meaning of the provisions of Section B, Article III., Paragraph 5, Subsection 2, Letter e) of these Terms and Conditions;
- d) submitting to the Customer a report on the state of cybersecurity risk management relating to the delivery of Supply, including an overview of residual risks, a risk management plan, and an applicability declaration conforming to the Cybersecurity Act, or ISO/IEC 27001 if the Supplier holds this certificate. The Supplier must present a report on cybersecurity risk management as per this subsection for the previous period ending upon the anniversary of the entry into the Agreement, no later than 15 (fifteen) calendar days after the applicable anniversary of the entry into the Agreement. Every change in the risk acceptability level must be approved by the



Customer in writing in advance. In the event the Supplier violates the duty laid down under this subsection, the Customer has the right to withdraw from the Agreement within the meaning of the provisions of Section B, Article III., Paragraph 5, Subsection 2, Letter f) of these Terms and Conditions;

- e) informing the Customer in writing without unnecessary delay (no later than 12 hours after the Supplier detects a security incident or a cybersecurity) of the fact that a cybersecurity event or a cybersecurity incident has occurred, and providing the Customer with information on the cybersecurity event or the cybersecurity incident, including, without limitation, (i) a description of the event/incident, (ii) the outcome of investigation conducted by the Supplier, (iii) information on adopted measures (within the Supplier's organization and with respect to individual employees or the Supplier's subcontractors), and (iv) any other information laid down in the Cybersecurity Act and implementing regulations. In the event the Supplier violates the duty laid down under this subsection, the Customer has the right to withdraw from the Agreement within the meaning of the provisions of Section B, Article III., Paragraph 5, Subsection 2, Letter g) of these Terms and Conditions;
- f) providing the Customer with any and all cooperation (particularly cooperation expressly requested by the Customer) in connection with complying with requirements laid down under the Cybersecurity Act, including, without limitation, providing the Customer with relevant and complete information on cybersecurity events and cybersecurity incidents with direct and indirect effect on the Customer's legitimate interests (i.e. on the IT system, including, without limitation, hardware, software, processes, and services, applications, etc., operated by the Supplier for the Customer, and security incidents that occur in the IT system operated by the Supplier (including, without

limitation, hardware, software, processes, and services), which are liable to have a potential impact on the Customer – such as the same type of database, network component – firewall, which is operated for another customer of the Supplier, while the same type is used by the Customer, etc.), as well as in resolving and processing cybersecurity incidents;

- g) providing the Customer with any and all requested cooperation, where applicable, in the framework of audits and inspections, both internal conducted by the Customer (or its suppliers) and external conducted by government authorities or the Customer's contractual partners relating to matters including, without limitation, compliance with (i) the Cybersecurity Act, (ii) Regulation of the European Parliament and of the Council (EU) 2016/679 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/ES (General Data Protection Regulation), and (iii) legislation related to the foregoing laws and regulations. The duty to provide cooperation as per this subsection applies to the Supplier, including its subcontractors where applicable, where the Supplier must ensure compliance with the duty to provide cooperation by any of its subcontractors at any level. Considered providing cooperation is allowing the conduct of an audit or an inspection of the Customer and the Supplier (including any of its subcontractors, if applicable) in accordance with this subsection. In the event the Supplier violates the duty laid down under this subsection, the Customer has the right to withdraw from the Agreement within the meaning of the provisions of Section B, Article III., Paragraph 5, Subsection 2, Letter h) of these Terms and Conditions; and
- h) informing the Customer of any finding or suspicion concerning the Customer's IT system, including, without limitation, hardware, software, processes, and



services, thereby ascertained as part of providing Supply, based on which the conclusion is drawn that the Customer's IT system, including, without limitation, hardware, software, processes, and services, does not or may not correspond to or be compliant with (i) requirements laid down under the Cybersecurity Act, (ii) standards available in the IT sector, (iii) appropriate level of security, of the Supplier identifies any other factor liable to increase the security risk of attack or misuse of the Customer's IT system, including, without limitation, hardware, software, processes, and services.

3. For the purposes of discharging the Supplier's duties laid down in this paragraph, the Supplier must without unnecessary delay (no later than by the deadlines laid down in the Cybersecurity Act) inform the Customer of the fact that a cybersecurity event or a cybersecurity incident has occurred by telephone at +420 220 227 777, by e-mail at helpdesk@net4gas.cz, or using contacts specifically stated in the Agreement.

16. FINES

1. The Supplier must pay a contractual penalty to NET4GAS:

a) for the Supplier violation of any duty pertaining to the confidentiality duty during an emergency within the meaning of the applicable provisions of the Cybersecurity Act or Act No. 240/2000 Coll. on Crisis Management and on Amendment to Certain Acts (Crisis Act), as in effect, in the amount of CZK 2,000,000 for every individual violation.

2. The Supplier must pay penalties levied thereagainst to the Customer within a time limit of 15 days after receiving the Customer's request to that effect.

III. Performance Security

1. Insurance

1. Throughout the term of an Agreement, the Supplier undertakes to maintain, based on a written contractual arrangement with an insurance company, liability insurance for damage caused by operations and defects in products, including insurance of financial losses (relating to operations/products) relating to damage to health, assets, and property, where insurance coverage must be sufficient to allow the Supplier to pay compensation for damage that may be incurred by the Customer under the applicable Agreement.

2. At the Customer's request, the Supplier undertakes to demonstrate to the Customer, by a deadline set by the Customer which must not come earlier than within five Business Days, the existence of the foregoing insurance and the insurance coverage.

3. The Supplier must inform the Customer of fundamental amendments to or the termination of the insurance agreement immediately after the insurance agreement is amended or terminated, where the relevant information must be provided by means of a written notice delivered to the Customer's registered office.

2. Information and Notification Duty

1. If additional information or materials are required for the performance of an Agreement, the Supplier must contact the Customer without delay using a written notice sent by regular mail, fax, or e-mail (electronic mail); the notice must be addressed to the contact person specified in the Agreement.

2. Furthermore, the Supplier undertakes to inform the Customer by means of a notice sent to the Customer by regular mail, fax, or e-mail of erroneous or logically flawed information in the concept or in other materials that are relevant for the performance of an Agreement. In such a case, a record of the fact that an alternative solution has been adopted must be made



without delay. The foregoing also applies in the event that information stated in documents of material importance for the performance of an Agreement jeopardizes the purpose of an Agreement.

3. If the Customer and the Supplier agree to a certain timetable in relation to the provision of Performance, the Supplier must provide the Customer with information on the progress of the applicable Performance up to the time of the delivery thereof to the Customer and on conformity to the agreed timetable. The Supplier must inform the Customer in writing of any deviations within three days after they occur. At the Customer's request, the Supplier must demonstrate to the Customer the fulfillment of a given milestone in the timetable.

3. Non-Disclosure Clause

1. The Parties are aware that in the course of the performance of an Agreement, the Parties or their employees or subcontractors may gain access to the opposite Party's Confidential Information or that such information may be disclosed to them. The Parties undertake to handle Confidential Information as trade secret, in particular, keep such information confidential and take any and all contractual and technical measures to prevent the misuse or disclosure thereof. The Parties may disclose Confidential Information only to their employees who need to have such information for the purpose of performing or preparing the performance of an Agreement, to contractual partners and representatives to an extent necessary for preparing the performance of and fulfilling duties arising under an Agreement, and to persons who are directly or indirectly taking part in preparing and conducting proceedings relating to the settlement of disputes arising from an Agreement. The Parties undertake to appropriately inform the aforesaid persons of Confidential Information and the duty to maintain such information confidential, and to enter into appropriate contractual arrangements to ensure the confidentiality of such information. In the event a violation of the confidentiality of information is ascertained, a Party must inform

the opposite Party immediately and take appropriate measures to rectify the deficient state of affairs. Any and all Confidential Information remains the exclusive property of the disclosing Party. Furthermore, the Parties undertake not to use the opposite Party's Confidential Information in a way other than in connection with the performance of an Agreement.

2. Confidential information includes, without limitation, information obtained by the Parties or thereby authorized persons in connection with an Agreement, the performance thereof, and communication with the opposite Party, such as information on operations, procedures, work processes, business or marketing plans, concepts, and strategies, in full or in part, offers, contracts, agreements, understandings, or other arrangements with third parties, information on financial results, relations with business partners, and employment issues, even if such information does not constitute trade secret in accordance with the Civil Code, and know-how, that is any and all information of commercial, production, technical, or financial nature relating to activities of one of the Parties, having actual or, as a minimum, potential value, and not being commonly available in the relevant business circles, which is to be kept confidential, and all data disclosed to the Supplier in connection with the processing of the Customer's data ("**Confidential Information**").
3. The foregoing duty does not apply to Confidential Information provided for the purposes of business conducted in the framework of a business association within the meaning of Section 71 et seq. of Act No. 90/2012 Coll. on Corporations and Cooperatives (Business Corporations Act), as in effect, as well as to Confidential Information provided to legal, tax, financial, and other external consultants with which the Parties must negotiate similar conditions relating to the non-disclosure of provided Confidential Information. Moreover, the Parties undertake to refrain from using disclosed Confidential Information for their own needs contrary to the purpose thereof.



4. The foregoing notwithstanding, not considered Confidential Information is information:

- i) the provision or disclosure of which to a third party is approved in advance by the disclosing Party;
- j) expressly designated as public by the disclosing Party;
- k) that becomes available in the public domain in a way other than a violation by the disclosing Party, whether deliberate or negligible, of duties arising under an Agreement; and
- l) the receiving Party is required to disclose in accordance with laws of the Czech Republic.

5. The duty to handle Confidential Information in accordance with Article III, Paragraph 3 remains in effect throughout the term of an Agreement and thereafter until Confidential Information becomes available in the public domain in a way other than a violation by the receiving Party of its duties arising under the Agreement.

6. If the Supplier violates duties relating to the handling of Confidential Information, the Customer is entitled to a contractual penalty in the amount of CZK 1,000,000 (in words: one million Czech crowns) for each individual violation, without prejudice to the Customer's right to claim compensation for incurred damage.

4. Personal Data Protection

1. To the extent the Customer manually or electronically processes any Relevant Personal Data (i.e. especially, without limitation, name and surname of any natural persons, their address, e-mail address, telephone and fax number, ID No., bank details and VAT No.), the Customer undertakes to:
 - a) Make sure that the processing complies with valid Personal Data Protection Laws;

- b) Implement relevant technical or organizational measures to protect the Relevant Personal Data from unauthorized or unlawful processing; and
- c) Make sure that the Relevant Personal Data are only disclosed to the Customer's staff who have a legitimate reason to process the Relevant Personal Data within the framework of the Customer's business activities.

2. The Supplier confirms for and on behalf of itself and any natural persons whose personal data are disclosed by the Supplier to the Customer, that the Supplier is aware of the fact that the Customer processes the Relevant Personal Data for the following purposes:

- a) To perform any Contract entered into in compliance with these Terms and Conditions;
- b) For accounting and administrative purposes;
- c) In order to secure compliance with any applicable laws and regulations; and
- d) To increase and enhance the quality of the Customer's contractor database.

3. The Customer is entitled to outsource the processing of the Relevant Personal Data to processors. For more information regarding the methods of personal data processing employed by the Customer and regarding any processors authorized by the Customer to process personal data, please refer to the website [https:// www.net4gas.cz/en/company/data-protection/](https://www.net4gas.cz/en/company/data-protection/).

4. The Customer shall process any Relevant Personal Data only if it is necessary to accomplish the above-mentioned purposes. The Supplier provides the Relevant Personal Data voluntarily. The Supplier hereby understands and agrees that if the Supplier provides any personal data to the Customer in connection with the performance of any Contract entered into in compliance with these



Terms and Conditions, and if the personal data concern other natural persons (e.g. the Supplier's employees and/or other staff or sub-contractors) and the processing of such personal data by the Customer is necessary to perform the Contract and fulfil the commitments arising from any generally binding laws and regulations, the Customer shall process such personal data to the extent defined and in the manner described in the preceding paragraphs. The Supplier undertakes to inform such individuals of the processing of their personal data by the Customer before the personal data are provided to the Customer.

5. The data subjects have the right to access their personal data processed by the Customer. They may also have the right to request the Customer to correct, update or delete any such personal data and, subject to certain conditions, they may also have the right to request a restriction of or object to any specific processing, or the right to request a transfer of the personal data to another controller. The data subjects may contact the Customer by e-mail at osobni.udaje@net4gas.cz should they have any questions, comments or submissions concerning the processing of their personal data. For more information regarding the method of processing personal data by the Customer and the rights of data subjects, please refer to the website <https://www.net4gas.cz/en/company/data-protection/>.
6. To the extent the Supplier processes any Relevant Personal Data under any Contract entered into in compliance with these Terms and Conditions, the Supplier undertakes to:
 - a) Make sure that the processing is performed in compliance with valid Personal Data Protection Laws;
 - b) Implement relevant technical or organizational measures to protect the Relevant Personal Data from unauthorized or unlawful processing;
 - c) Make sure that the Relevant Personal Data are only disclosed to the Supplier's staff who have a legitimate reason to process the Relevant Personal Data within the framework of the Supplier's business activities; and
- d) Make sure that any third parties (including processors) to whom the Supplier allows access to the Relevant Personal Data respect and maintain the confidential nature and security of personal data.
7. If the Customer or the Supplier discover that the security of the Relevant Personal Data was breached, they shall inform the other contracting party immediately and, in any case, within 24 hours after the breach was first discovered. The Supplier undertakes to provide the Customer with any and all reasonable assistance in the handling of any requests of the data subjects who exercise their rights under the GDPR, and with any investigation of the Customer conducted by the Office for Personal Data Protection, providing they have any connection to the processing of the Relevant Personal Data.
8. The above-mentioned clauses in this paragraph 4 apply to Contracts entered into in compliance with these Terms and Conditions during the performance of which the Supplier and the Customer both act as controllers who make independent decisions regarding the purpose and the method of personal data processing.
9. If the Supplier acts as a processor processing personal data for the Customer as the controller in performance of any Contract entered into in compliance with these Terms and Conditions, the following clauses shall apply:
 10. The Supplier is obliged to process personal data in compliance with all Personal Data Protection Laws and make sure that the same obligation is duly fulfilled in connection with the processing of personal data by all of the Supplier's Staff, agents or representatives and Other Processors.
 11. In connection with the processing, the Supplier is obliged to process the Relevant Personal



Data only and exclusively: (i) for the purpose for which they were disclosed to the Supplier, and (ii) in compliance with any proven instructions received from the Customer. If the Supplier exceeds the instructions and determines itself the purpose and the means of processing, the Supplier thereby becomes a controller with full responsibility for the performance of all associated obligations under the GDPR. However, the obligation to comply with the controller's instructions is not violated if any particular processing is mandatory under the EU law or the law of the Czech Republic. The Supplier is also obliged to inform the Customer without delay that the Supplier considers any particular instruction contrary to the Personal Data Protection Laws.

12. The Customer and the Supplier shall provide for at least the following essential information in any Contract entered into in compliance with these Terms and Conditions:

- a) List of activities which constitute processing of the Relevant Personal Data necessary for the performance of the Supplier's commitments under the Contract entered into in compliance with these Terms and Conditions;
- b) Overview of the categories of data subjects which the Relevant Personal Data concern; and
- c) Categories of the Relevant Personal Data.

13. The Supplier shall process the Relevant Personal Data only for the purposes corresponding to the scope of activities which constitute processing defined in paragraph 12.a above.

14. The Relevant Personal Data shall be processed throughout the duration of the Contract entered into in compliance with these Terms and Conditions and subsequently, to the necessary extent: (i) for an additional period of time explicitly allowed or required under the Contract and/or any applicable laws and regulations, and (ii) throughout any applicable periods of limitation if any claims are asserted

by the parties arising from the given Contract in relation to the Relevant Personal Data concerned by a party's claim, until the final completion or termination of the relevant proceedings.

15. The Supplier is obliged to create, retain and update throughout the period of processing complete and accurate written records of all categories of processing, which should be preceded by a thorough analysis of the categories of processing, information about data transfers to third countries and any technical and organizational measures adopted in connection with the performance of obligations relating to personal data protection. The Supplier must be ready to submit the records to the Customer or the OPDP on request.

16. The Supplier warrants to and assures the Customer that the Supplier shall adopt adequate technical and organizational measures to protect the Relevant Personal Data in compliance with the applicable Personal Data Protection Laws, primarily in compliance with Articles 32-34 of the GDPR. The Supplier shall make sure that the technical and organizational measures reflect any specific risks associated with the Supplier's processing activities, especially (without limitation) that the Relevant Personal Data are protected from accidental or unlawful destruction, loss, alteration, unauthorized disclosure or access, or any other abuse of personal data. The Supplier is obliged to conduct regular internal inspections in order to confirm that the Supplier fulfils any and all of the Supplier's commitments connected with the processing. The Supplier undertakes to adopt especially, without limitation, the following technical and organizational measures:

- a) The Supplier is obliged to make sure that any persons authorized to process any Relevant Personal Data are bound by a contractual confidentiality obligation or subject to a statutory confidentiality obligation;



- b) The Supplier shall use adequate technical facilities and software in such manner which eliminates any unauthorized or accidental access to any Relevant Personal Data;
 - c) The Supplier shall store the Relevant Personal Data in properly secured premises and rooms; and
 - d) The Supplier shall arrange for regular tests, assessments and evaluations of the effectiveness of any implemented technical and organisational measures in order to ensure security of processing.
17. The Supplier is entitled to hire Other Processor(s) to process any Relevant Personal Data, but always only on the basis of the Customer's prior written consent. If the Supplier hires any Other Processor(s), the Supplier is obliged to:
- a) Inform the Customer of any changes to the role or status of the Other Processor(s); and
 - b) Make sure that the Other Processor(s) is/are bound by the same obligations which apply to the Supplier in relation to personal data processing.
18. The Supplier is liable to the Customer for any breach of obligations in the area of personal data protection caused by any Other Processor, without prejudice to any potential recourse that the Supplier may have against the Other Processor.
19. The Supplier undertakes to assist the Customer with the implementation of appropriate technical and organizational measures to ensure personal data security, with reports of any personal data breaches, data protection impact assessment and prior consultations with the OPDP.
20. At the Customer's request, the Supplier is obliged to provide the Customer without delay with any and all reasonable assistance so that the Customer may:
- a) Handle any requests made by data subjects who exercise their rights;
 - b) Report any personal data breaches to the Office for Personal Data Protection and/or the Data Subjects concerned;
 - c) Conduct a personal data impact assessment if such an obligation applies to the Customer in accordance with the GDPR;
 - d) Procure any necessary authorizations or permits from the Office for Personal Data Protection; and
 - e) Prove compliance with the Customer's commitments under the GDPR.
21. The Supplier is obliged to enable audits implemented by the Customer or by an auditor appointed by the Customer and provide assistance with respect to such audits.
22. If any personal data are transferred abroad during the processing, the Supplier must meet the requirements for such transfers depending on the reason on the basis of which the transfer is made, i.e. subject to the condition under Article 46 of the GDPR if the reason consists in appropriate safeguards, or under Article 49 of the GDPR if the transfer falls within any of the exceptions for specific situations.
23. The Supplier undertakes to inform the Customer without delay, but always no later than within 24 hours, if the Supplier discovers any breach of security of the Relevant Personal Data; or if the Supplier receives any correspondence or notice from a data subject, the Office for Personal Data Protection or a third party regarding the processing of any Relevant Personal Data.
24. In accordance with a decision made by the Customer, the Supplier is either obliged to delete any and all Relevant Personal Data or return such Relevant Personal Data to the Customer after the provision of services connected with the processing is terminated,



and delete all existing copies unless the EU law or Czech law require retention or storing of such personal data. The Supplier also undertakes to make sure that the Supplier's Other Processors adopt the same measures.

5. Termination of an Agreement

1. If entered into for an open-ended term, an Agreement may be terminated by either Party at its discretion by means of a written notice of termination served upon the opposite Party. If entered into for a fixed term exceeding one year, an Agreement may be terminated by either Party at its discretion by means of a written notice of termination served upon the opposite Party.
2. The notice period lasts three months, starting on the first day of the month following the service of a notice of termination on the opposite Party.
3. A notice of termination enters into legal force upon the expiry of the notice period.

6. Withdrawal from an Agreement

1. Both the Supplier and the Customer may withdraw from an Agreement due to reasons laid down in the law regulating the applicable Agreement type.
2. Furthermore, in addition to the reasons laid down in the law, both the Supplier and the Customer may withdraw from an Agreement if:
 - a) a decision is issued to wind up the opposite Party in liquidation with no legal successor,
 - b) an insolvency petition is filed or insolvency proceedings are initiated against the opposite Party; or
 - c) the assets of the opposite Party are subject to an executory procedure.
 - d) the Supplier fails to discharge the duty laid down in Section B, Article II, Paragraph 15, Subsection 2, Letter a) of these Terms and Conditions;

- e) the Supplier fails to discharge the duty laid down in Section B, Article II, Paragraph 15, Subsection 2, Letter c) of these Terms and Conditions
- f) the Supplier fails to discharge the duty laid down in Section B, Article II, Paragraph 15, Subsection 2, Letter d) of these Terms and Conditions;
- g) the Supplier fails to discharge the duty laid down in Section B, Article II, Paragraph 15, Subsection 2, Letter e) of these Terms and Conditions
- h) the Supplier fails to discharge the duty laid down in Section B, Article II, Paragraph 15, Subsection 2, Letter g) of these Terms and Conditions.

3. The Customer may withdraw from an Agreement if:

- a) the Supplier repeatedly fails to fulfill the information duties laid down in Paragraph 2, Subsection 3 of this Article of the Terms and Conditions; or
- b) the Supplier is more than 15 calendar days late in the delivery of Performance or in the progress of the delivery of Performance (or demonstrating the progress of the delivery of Performance) if a timetable for the delivery of Performance is agreed as per Paragraph 2, Subsection 3 of this Article of the Terms and Conditions.
In all of the foregoing cases of withdrawal, an Agreement will be treated as null and void from the outset.

4. The Supplier may withdraw from an Agreement if the Customer is late in paying the agreed price for more than 30 calendar days despite being served a written reminder notice by the Supplier.

5. A Party must inform the opposite Party of withdrawal from an Agreement within the meaning of Subsections 1 to 4 of this Paragraph 5 by means of a written notice. A



notice of withdrawal must be delivered to the opposite Party's registered office or to another address that is specified in an Agreement. Withdrawal enters into legal force upon the delivery of a notice of withdrawal from an Agreement to the opposite Party.

IV. Delay in the Fulfillment of Duty

1. Delay on the Part of the Supplier

1. The Supplier's delay in performing an Agreement is subject to a contractual penalty payable to the Customer in the amount of 0.1% of the agreed price for every commenced calendar day of delay. The Supplier's delay in performing any part of Performance for which a delivery deadline is agreed is subject to a contractual penalty payable to the Customer in the amount of 0.5% of the agreed price of the applicable part of Performance for every commenced calendar day of delay.
2. The Supplier must pay any and all contractual penalties to the Customer within 15 calendar days after the Customer requests the Supplier to pay a contractual penalty; a payment must be made by a transfer of funds to the Customer's account specified in an Agreement.
3. The contractual penalty clause is not to prejudice the Customer's right to claim compensation for damage incurred as a result of delay. The same applies to all other contractual and legal rights the Customer has in connection with delay.

2. Liability for Defects

1. The Supplier is liable for Defects in provided Performance in accordance with the applicable provisions of laws of the Czech Republic governing the applicable agreement type, unless otherwise implied by the nature of the matter.
2. Unless released from liability, the Supplier must remedy an ascertained Defect at the Supplier's expense.

3. The Supplier undertakes to begin work on the resolution of Defects pertaining to an Information System by deadlines (Response Time) corresponding to the following classification of Defects:

- a) The Response Time for Critical Defects is one hour. The Resolution Time for Critical Defects is two hours.
 - b) The Response Time for Material Defects is two hours. The Resolution Time for Material Defects is four hours.
 - c) The Response Time for Non-Material Defects is one Business Day. The Resolution Time for Non-Material Defects is five Business Days.
4. If a non-repairable Defect is identified, which constitutes a material breach of an Agreement, the Customer may withdraw from the Agreement subject to the fulfillment of the conditions laid down in Part B, Article III, Paragraph 6 of these Terms and Conditions.
 5. In the event that a Defect cannot be remedied immediately due to objective reasons, the Supplier must provide/implement a Walk-Around Solution acceptable to the Customer in the framework of the applicable Resolution Time.
 6. The Customer may request the resolution of a Defect until no later than five Business Days after the Defect is identified.

V. Legal Succession/Assignment of Rights and Duties Arising from an Agreement

1. The Customer may assign its rights and duties under an Agreement to another person at any time ("assignment of rights and duties"). The assignment of rights and duties enters into legal force in relation to the Supplier no later than at the time the Customer informs the Supplier in writing of the assignment of rights and duties under an Agreement.
2. The Supplier may transfer or assign its rights and duties under an Agreement to another person



("assignment of rights and duties") only with the Customer's prior written consent.

VI. General Provisions

1. NET4GAS Code of Ethics

1. During the performance of an Agreement, the Supplier must comply with any and all legal regulations and laws of general application as well as with the "NET4GAS Code of Ethics", which is available in the public domain on the Customer's website.

2. Foreign Labor

1. If the Supplier assigns to the Customer for the purpose of delivering Performance under an Agreement a worker who is a national of an EEA country or Switzerland, the Supplier must provide the Customer with information to that effect no later than seven Business Days before the worker's assignment with the Customer begins and, at the same time, provide the worker's identification data, address in the country of his/her permanent residence, proof of highest completed education, place of work, type of work, classification as per economic activity, proof of education required for the relevant profession, and information on whether the assignment is the worker's first work assignment in the Czech Republic.

2. If the Supplier assigns to the Customer for the purpose of providing Performance under an Agreement a worker who is a national of a country other than an EEA country or Switzerland, the Supplier must provide the Customer, in addition to the information referred to in the preceding subsection, with a document certifying the right of the foreign Supplier (employer) to conduct business in the country of its domicile. In such a case, the Supplier must comply with the duties laid down in this and the preceding subsection no later than 40 calendar days before the assignment of such a worker is expected to begin.

3. If the Supplier has a registered office in the Czech Republic and uses foreign workers to deliver Performance as per an Agreement, the Supplier must present to the Customer, no later than at the time when the assignment of such a worker begins, an official declaration that the Supplier has met all legal requirements to employ foreign workers.

3. Occupational Health and Safety

1. In the conduct of its activities, the Supplier must proceed in accordance with the "Terms and Conditions for Occupational Health and Safety (OHS), Environmental Protection (EN), Fire Safety (FS), and Physical Security" issued by the Customer within the meaning of Section 1751 of the Civil Code; the document is available in the public domain on the Customer's website.

4. Choice of Law

1. Legal arrangements arising under an Agreement not expressly defined thereunder are governed by laws of the Czech Republic. Likewise, the Parties undertake to interpret rights and duties defined in an Agreement in accordance with laws of the Czech Republic.

2. The Parties hereby rule out the applicability of Section 557 (contra proferentem), Section 1793 Paragraph 1 (laesio enormis), Sections 1799 and 1800 (agreement entered into by adhesion) of the Civil Code.

5. Governing Law and Court Jurisdiction

1. Legal arrangements arising from an Agreement are governed by laws of the Czech Republic and these Terms and Conditions.

2. If there is a discrepancy between an Agreement and these Terms and Conditions, the Agreement takes precedence.

3. The Parties undertake to first attempt to settle disputes arising from an Agreement by negotiation at the level of governing bodies. If a settlement cannot be reached, a dispute will be



settled in accordance with the applicable provisions of laws of the Czech Republic.

4. All disputes arising from an Agreement between the Supplier and the Customer will be settled by the general court with jurisdiction over the Customer, or, if applicable, the general court with jurisdiction over the Customer's successor or a person to which the Customer's rights and duties under an Agreement are assigned, unless the Parties agree in writing that a dispute is to be settled by an arbitration court.

6. Form of Legal Acts, Amendment to an Agreement, Termination of an Agreement

1. If these Terms and Conditions require written form for a certain legal act, such written form includes e-mail communication on condition that the applicable e-mail is sent to the address of an authorized contact person of the applicable Party. The previous sentence does not apply (i) if expressly stipulated otherwise in these Terms and Conditions, (ii) to any and all provisions or actions pertaining to the termination of an Agreement or withdrawal from an Agreement in accordance with these Terms and Conditions, and (iii) to the entry into Agreements in a manner other than through an Order. As to Agreements entered into in a manner other than through the acceptance of an Order, the relevant legal act must have the form of a paper document bearing the signatures of the Parties.
2. Agreements are entered into for an open-ended term unless otherwise specified therein and unless it follows from the subject of Performance that an Agreement is to be entered into for a fixed term.
3. Unless otherwise specified, an Agreement enters into effect and force on the day on which:
 - a) an Order accepted (confirmed) in writing by the Supplier is delivered to the Customer;
 - b) the Supplier delivers goods to the Customer based on an Order and within a deadline set in the Order or begins the

delivery of different Performance, as specified in the Order; or

- c) an Agreement, having the form of a paper document, is signed by both Parties.

In the event that several of the situations referred to under Subsections a) to c) occur, an Agreement is deemed entered into at the time whichever of the situations takes place earliest.

4. If an Order is delivered to the Supplier by e-mail, the only way in which the Supplier may accept the Order is printing the Order, having it signed by a person authorized to act on behalf of the Supplier, and sending a scanned copy of thus signed Order to the Customer by e-mail at the address specified in the Order as the address of the person who placed the Order.
5. Any change in a proposed Agreement (Order) made by the opposite Party constitutes a new proposal to enter into an Agreement. The acceptance of a proposal for an Agreement (Order) containing a reference to any terms and conditions other than these Terms and Conditions is considered a new proposal to enter into an Agreement.
6. An Agreement may only be amended by means of written numbered annexes. The entry into annexes is subject, *mutatis mutandis*, to the provisions pertaining to the entry into Agreements. The same applies to amendments to the Terms and Conditions.
7. In the event an Order placed by the Customer is not accepted by the Supplier and Performance is not provided by the Supplier to the Customer within the deadline stated in the Order, the Supplier will be deemed not to have accepted the Order (no Agreement will have been entered into between the Customer and the Supplier).
8. The Customer may cancel an Order on condition that an Order cancellation is delivered to the Supplier no later than the Order.



9. An Agreement expires upon the lapse of the term for which it is agreed, by the service of notice of termination of or notice of withdrawal from the Agreement, by agreement of the Parties as of a date stated in such an agreement, and upon the death of the natural person or the winding up without a legal successor of the legal person that is a Party.
10. The termination of an Agreement does not release the Parties from liability to pay contractual penalties or compensation for damage incurred while the Agreement was in force.
11. The termination of an Agreement does not automatically terminate other agreements entered into between the Parties.

VII. Joint, Transitional, and Miscellaneous Provisions

1. These Terms and Conditions enter into effect on 25 May 2018 and fully replace and supersede all Terms and Conditions hitherto in effect issued by the Customer for the provision of Performance.
2. Any and all legal arrangements originating between the Supplier and the Customer prior to the effective date of these Terms and Conditions will remain in effect. Such legal arrangements will continue to be subject to the Terms and Conditions in effect at the time of entry into of the Agreement.

C. Special Provisions for Software Licensing

I. Grant of a License

1. The grant of rights to use Software (license) includes the Customer's non-exclusive and irrevocable right to use Software while intellectual property rights of the author of the Software remain in effect. The right to use Software includes, without limitation, the right to reproduce and distribute such Software and the right to lease the original and reproductions of such Software.

II. Reproduction and Transferability

1. Purposes for which the reproduction of Software is allowable include, without limitation, installation, backup, and archivation. Reproducing the applicable documentation is allowable with no restrictions. The Customer may not assign rights constituting a license, in full or in part, to a third party (sublicense) without the Supplier's prior written consent.

III. Third-party Data Transfer

1. Without the Customer's prior express written consent, Software supplied to or developed for the Customer must not automatically transmit data to the Supplier or to any other third party.

IV. Open Source Software

1. If Software which the Customer has the right to use consists, in full or in part, of open source Software, the Supplier must inform the Customer accordingly in the applicable Agreement. If the Supplier fails to comply with the foregoing duty, the Customer has the right to withdraw from the Agreement based on which the Customer was granted the right to use the Software. In exercising the right to withdraw, the Customer must serve upon the Supplier a written notice of withdrawal, which will enter into force as of the date of entry into the Agreement, unless the Customer specifies a later effective date.

D. Special Provisions for Supply of Standard Software

I. Purchase of Software

1. The purchase of Software is a transaction under which Software is made available by the Supplier to the Customer in physical form by means of sale or another transfer of ownership right to the original or to a reproduction of the Software. It always includes the transfer of ownership right to the data carrier (the carrier containing Software) and to documentation to



the Customer, and the grant of a license to use the Software to the Customer.

II. Decompilation

1. The reverse conversion of provided executable software code into a different code form (decompilation) and the reverse engineering of various stages of Software production is allowable for the reasons defined in the cases of Source Code issue listed in Part D, Article IV, or in cases where doing so serves for establishing interoperability or for other legal permissible purposes.

III. Software Modifications

1. The removal of measures preventing Software from being copied or other similar protection mechanisms is allowable for the reasons defined in the cases of Source Code issue listed in Part D, Article IV.

IV. Source Code Deposition

1. The standard delivery of a Software version (application) does not include program Source Codes. The Supplier considers Source Codes to constitute a separate product the price of which is equal to 10-fold the price of the license for supplied Software. However, the Supplier and the Customer agree to the provision of Source Codes, which the Customer is authorized to use in the cases defined in Paragraph 2 of this Article. The Supplier and the Customer agree to the following method for the delivery of Source Codes and to the following conditions for the handling of Source Codes by the Customer:

- a) The Customer will provide to the Supplier its computer(s) (such as client PC, persistent cache, production server, or another device) designated for the delivery of Source Codes, and will assign a person responsible for the acceptance of Source Codes (as per the procedure described below).
- b) The Supplier will install all Source Codes of an application(s) with the applicable configuration and any other necessary

programs and will demonstrate to the Customer the compilation of all components of the application(s), such as build image, image initialization. The Customer will be allowed to test the compiled components.

- c) The Supplier will copy Source Codes and compiled components to data carriers (DVD/CD ROM) and will subsequently delete all original Source Codes and compiled components from the assigned computer(s).
 - d) The person assigned by the Customer will install compiled components on the relevant data carriers (DVD/CD ROM) and will verify the functionality of the application(s).
 - e) After functionality is thoroughly tested by the Customer, the Supplier will delete Source Codes and compiled components from the assigned computer(s).
 - f) The Supplier will secure the provable sealing of a container containing the data carriers (DVD/CD ROM), and the Customer will secure the deposit thereof in an agreed place. The Supplier will receive one copy of the data carriers.
 - g) The foregoing procedure must be repeated during every Update/Upgrade of given Software (the procedure does not apply to the installation and delivery of patches – if the procedure applies, the cost of all tasks is assumed by the Customer).
 - h) The foregoing procedure may be carried out no more than twice a year, unless otherwise specified.
2. The Customer may use Source Codes in accordance with its needs in case that:
- a) a decision is made to wind up the Supplier in liquidation with no legal successor;
 - b) insolvency proceedings are initiated against the Supplier's assets; and
 - c) the Supplier is declared bankrupt.



3. In other cases, the Customer must without unnecessary delay inform the Supplier of the need to use a Source Code.

4. The Customer may use a Source Code only for necessary reasons in cases where the Supplier is unable to fulfill the relevant need.

V. Guarantee

1. The Supplier grants to the Customer a guarantee that supplied Software has, and will retain for no less than the duration of the guarantee period, the functions described in the documentation and in the Agreement, as well as customary qualities, and that it is not subject to copyrights or other third-party industrial or intellectual property rights liable to restrict the right of the Customer, or other persons, to use the Software in accordance with the Agreement. A failure to fulfill the foregoing conditions is considered a Defect in Software.

2. The guarantee period lasts 12 months.

3. The Supplier will remedy legal and technical Defects claimed during the guarantee at its own expense.

4. As to technical Defects, the Supplier must remedy a Defect in accordance with a claim made by the Customer, under which the Customer may:

- a) demand Defect Resolution by the delivery of substitute Performance for defective Performance, demand the delivery of missing parts of Performance, and demand the remedy of a Defect, or
- b) demand the remedy of a Defect at the place of Performance (or at the place of System Implementation), if the Defect is repairable, or
- c) demand a commensurate discount from the remuneration (price), or
- d) withdraw from the Agreement if the Defect is non-repairable, subject to the fulfillment of the conditions laid down under these Terms

and Conditions for withdrawal from the Agreement.

5. As to legal Defects, for which the Supplier is liable irrespective of fault, the Supplier may remedy a legal Defect either through the subsequent securing of the necessary rights or replacing of a part of Software subject to third-party rights, or through the complete replacement of Software with Software having no legal or other Defects and having technical, functional, and ergonomic parameters equal to or better than the Software being replaced.

VI. Guarantee Period

1. The guarantee period begins on the day on which the following has been completed:

- a) delivery of Software and documentation;
- b) training for the Customer's employees or thereby assigned persons; and
- c) a trial period lasting one (1) month after the delivery of Software on condition that any and all Defects ascertained during the trial period have been remedied and all unfinished work has been finished; otherwise, the guarantee period will begin on the day on which this condition is fulfilled. This period serves for verifying the functionality of developed Software following the completion of overall System Implementation.

E. Development of Custom Software

I. Scope of Performance

1. Unless other arrangements, particularly a special agreement regarding a Project, stipulate otherwise, Project execution includes the creation of an overall solution that functions in the agreed manner as part of an ongoing partnership. An overall solution is provided either through the creation of new Software or by material modification of an existing Software solution.



2. If the subject matter of an Agreement includes the Supplier's duty to develop customized Software for the Customer, the Parties undertake to define the subject matter of the Agreement (Performance), unless defined in the Agreement, by defining specifications for the Software that is to be developed, such as technical specifications, which will form an integral part of the Agreement. In this regard, the Supplier must inform the Customer, in an extensive and exhaustive manner, of all aspects relevant to the Project, including, without limitation, technical problems relating to the defined solution and possible alternative solutions. Unless otherwise stipulated, the Supplier must follow the Customer's instructions, including, without limitation, the Project management and Software development methodology.
3. Software that is not a collectively developed work authored by the Supplier (natural person) for the Customer based on an order is considered an employee work, and the Customer will exercise, in its name and on its account, the author's copyrights to the work thereby created. In such a case, the Customer is regarded as the employer.
4. In connection with the exercise of copyrights to Software by the Supplier, as the author's employer, the Supplier is deemed to have demonstrably informed the author of this fact, and to have secured the author's consent to publishing, modifying, processing, translating, combining with another work, including the work into an ensemble of works, and presenting the employee work under its name.
5. In connection with the rights referred to in Paragraph 4, the author is also deemed to have granted to the Supplier consent to complete his/her intangible employee work in the event that the author is late in the creation of the employee work, despite a notice requesting the delivery of Performance, and/or in the event the author's obligation to complete the work terminates due to death or the impossibility to deliver Performance.
6. In the event the Supplier fails to fulfill the duties laid down in Paragraphs 4 and 5 of this Article, the work will be deemed to have Defects.

II. Payment Terms

1. The Customer must pay the agreed price to the Supplier based on a tax document, which the Supplier is authorized to issue after the acceptance of Software configuration (acceptance of work) by the Customer, no earlier than on the day on which a period of four weeks of Productive Operation has elapsed with no Defects whatsoever.

III. Guarantee

1. The Supplier grants to the Customer a guarantee that the Project will have the required parameters or parameters customary for the execution thereof. Furthermore, the Supplier guarantees to the Customer, irrespective of fault, that it possesses rights necessary for the performance of the Agreement, including, without limitation, rights to Software and the Source Code thereof and to created documentation and other materials, and that the Supplier is authorized to assign such rights to the Customer and, where applicable, other persons. A failure to fulfill the foregoing conditions is considered a Defect.

IV. Delivery of Work

1. The Supplier must invite the Customer to accept the delivery of the work, in full or in part, at least five Business Days in advance.
2. The delivery of the work will be effectuated by the acceptance of the created work by the Customer. The delivery procedure will be recorded in writing. The acceptance of the work by the Customer must be confirmed by the Parties by the signature of a Delivery and Acceptance Certificate.
3. The Supplier may deliver the work to the Customer, and the Customer must accept the same no earlier than when the work has been duly completed, i.e. when all tasks constituting the subject matter of the Agreement have been fulfilled. If the subject matter of an Agreement includes the development of custom Software, the Supplier may deliver the work to the



Customer after the successful failure-free completion of the Hot Phase.

4. If the subject matter of an Agreement includes the development of custom Software, the Supplier must deliver to the Customer the Source Code, documented in a manner that is reproducible by the Customer as well as by third-party experts, including the User's Manual in the Czech language, and a special list of auxiliary programs used to create the Software and program libraries.

V. Guarantee

1. The guarantee period lasts 12 months, starting on the day on which the work is accepted by the Customer.
2. The Supplier will remedy legal and technical Defects claimed during the guarantee period at its own expense.
3. The Supplier may remedy legal Defects, for which the Supplier is liable irrespective of fault, either through the subsequent securing of the necessary rights or replacing of a part of Software subject to third-party rights, or through the complete replacement of Software with Software having no legal or other Defects and having technical, functional, and ergonomic parameters equal to or better than the Software being replaced.

VI. Termination

1. The Customer may terminate an Agreement the subject matter whereof is the creation of Software by serving a written notice of termination upon the Supplier.
2. A notice of termination will enter into legal force upon the delivery thereof to the Supplier. In connection therewith, the Customer must compensate the Supplier for necessary costs that have been thereby incurred in an efficient manner in the execution of the Project, in full or in part, at Agreement termination time, provided that the Supplier delivers to the Customer work hitherto created as part of the Project, in full or in part.

3. The Customer undertakes to pay to the Supplier necessary and demonstrable costs incurred in an efficient manner by the Supplier in the execution of the Project, in full or in part, following the delivery of a bill having the form of a tax document issued by the Supplier, whereupon a payment will be made by the deadline set for the payment of tax documents.

VII. Source Code Deposition

1. The delivery of a Software version (application) always includes program Source Codes. The Supplier and the Customer agree to the following method for the delivery of Source Codes and to the following conditions for the handling of Source Codes by the Customer:
 - a) The Customer will provide to the Supplier its computer(s) (such as client PC, persistent cache, production server, or another device) designated for the delivery of Source Codes, and will assign a person responsible for the acceptance of Source Codes.
 - b) The Supplier will install all Source Codes of an application(s) with the applicable configuration and any other necessary programs and will demonstrate to the Customer the compilation of all components of the application(s), such as build image, image initialization. The Customer will be allowed to test the compiled components.
 - c) The Supplier will copy Source Codes and compiled components to data carriers (DVD/CD ROM) and will subsequently delete all original Source Codes and compiled components from the assigned computer(s).
 - d) The person assigned by the Customer will install compiled components on given data carriers (DVD/CD ROM) and will verify the functionality of the application(s).
 - e) After functionality is thoroughly tested by the Customer, the Supplier will delete Source



Codes and compiled components from the assigned computer(s).

- f) The Supplier will secure the sealing of a container containing the data carriers (DVD/CD ROM), and the deposit thereof at its registered office. The Supplier will receive one copy of the data carriers.
- g) The foregoing procedure must be repeated during every Update/Upgrade of given Software (the procedure does not apply to the installation and delivery of patches – if the procedure applies, the cost of all tasks is assumed by the Customer).
- h) The foregoing procedure may be carried out no more than twice a year, unless otherwise specified.

2. The Customer may use Source Codes in accordance with its needs in case that:

- a) a decision is made to wind up the Supplier's enterprise in liquidation with no legal successor;
- b) insolvency proceedings are initiated against the Supplier's assets; and
- c) the Supplier is declared bankrupt.

In other cases, the Customer must without unnecessary delay inform the Supplier of the need to use a Source Code.

3. The Customer may use a Source Code only for necessary reasons in cases where the Supplier is unable to fulfill the relevant need.

VIII. Penalties

1. If the following situations occur, the Customer will have the right to levy contractual penalties as follows:

- a) 1% for every day of delay in the delivery of a Software version for Productive Operation or a part of a Software version for the

Performance of which an interim deadline is agreed;

- b) 25% for the inability to load a previous Software version (from backup) during an Update/Upgrade;
- c) 15% for an intervention in a productive Software version without the consent of the Customer;
- d) 5% for every commenced calendar week of delay in the delivery of Source Codes; and
- e) 5% for every commenced calendar week of delay in the delivery of Design Documentation.

Individual penalties will be calculated as a percentage (%) of the applicable Performance. The Supplier must pay levied penalties to the Customer within 15 days after the date of receipt of the Customer's request to that effect.

F. Special Provisions for Supply of Hardware

I. Scope of Performance

1. Performance provided by the Supplier includes, without prejudice to special duties, as a minimum, the Supply, installation, configuration, and, where applicable, modification of Hardware components, and training for the Customer's employees or other workers assigned by the Customer. The Supplier must deliver to the Customer only new Hardware or new individual components (as opposed to, for instance, refurbished Hardware), unless the Parties expressly agree otherwise in writing in advance. Hardware must be compliant with requirements laid down under laws of the Czech Republic. Unless otherwise agreed, Hardware must be suitable for the purposes set out in the Agreement, and if no such purpose is expressly stated, for customary purposes.

II. Functionality Test

1. The installation and configuration of Hardware and training for the Customer's employees will be



followed by a Hardware functionality test lasting one month after the day on which the Supplier informs the Customer that supplied, installed, and configured Hardware has unlimited functionality.

III. Acceptance

1. The Parties will certify the acceptance of Hardware by the Customer following the successful completion of the functionality test by the signature of a Delivery and Acceptance Certificate.

IV. Penalty for Delay

1. In the event the Supplier is late in delivering Supply, the Customer may, over and above the aforesaid legal and agreed claims (contractual penalties), levy a contractual penalty in the amount of 10% of the price of such Supply, whereupon the Supplier must pay such a contractual penalty. If a fixed transaction is agreed by the Parties, the Customer may levy in the event of delay in the Supply of goods a contractual penalty in the amount of 25% of the price of the Supply, in addition to claims for compensation to which the Customer is entitled in accordance with these Terms and Conditions and in accordance with the law.

V. Guarantee

1. The Supplier grants to the Customer a guarantee for the quality of Supply, including the supply of replacement parts and the provision of Services relating to the fulfillment of the guarantee. The guarantee period lasts two (2) years starting on the day on which the Customer accepts Supply. In case of doubt, the Customer is deemed to have accepted Supply on the day stated in the Delivery and Acceptance Certificate.

2. The Supplier may remedy Defects in Supply either by repairing the same or delivering new Supply (in full or in part), no later than 30 calendar days after a Defect in Supply is reported to the Supplier. Repairs may be performed on condition that substitute devices are provided to the Customer at the Supplier's expense. If the

Supplier fails to remedy Defects in Supply within the aforesaid deadline, the Customer may exercise its rights relating to Defects, specifically withdraw from the Agreement, demand a discount from the purchase price, or, if applicable, claim compensation for damage.

G. Special Provisions for Support Service, Hardware Maintenance Service, and Software Maintenance Service

I. Scope of Performance

1. Unless otherwise stipulated in an Agreement, in the event of doubt, the following requirements for minimum Service to be provided by the Supplier will be considered included in flat fees for Maintenance Service:

- (a) Hardware Maintenance Service: Hardware Maintenance Service includes regular preventive Maintenance Service, restoration to original condition in the event of Defects and function failures, and telephone support. The foregoing must be supported by a suitable remote technical diagnostic solution that periodically and on a case-by-case basis monitors and analyzes the condition of systems.
- (b) Software Maintenance Service: Software Maintenance Service includes the remedy of Software Defects and the delivery of Updates. Supply always has the form of the delivery of an Update or Upgrade (if the Supplier is subject to the duty to supply Upgrade) on a data carrier or online, and the extensively recorded installation and configuration of the applicable Software on the applicable systems, unless otherwise agreed. Together with every new or updated version of Software, the Supplier must grant to the Customer rights that are the same or more extensive than the rights granted together with the previous version.
- (c) Support Service: Both Hardware Maintenance Service and Software Maintenance Service include extensive and instantaneously available support



Service for users and administrators, in particular a hotline manned by the Supplier's staff with technical qualifications and proficiency in the language of the applicable Customer; the hotline must be available during regular business hours (7:00 a.m. to 5:00 p.m.).

II. Response Time

1. Response Time considered commensurate for Critical Defect is equal to one hour, for Material Defects to three hours, and for Non-Material Defects to 24 hours, unless otherwise specified.

III. Guarantee

1. A guarantee period of 12 months applies to Maintenance Services. If a provided Service is defective, the Supplier may attempt to provide supplementary Performance. If an attempt for supplementary Performance does not succeed, the Customer may at its discretion exercise its further legal rights, including, without limitation, the right to withdraw from the Agreement, to demand discount on the price, or, if applicable, to claim compensation for damage.

IV. Penalties

1. In case that a situation described below occurs, the Customer may levy the contractual penalties specified below, whereupon a Supplier undertakes to pay such contractual penalties:

- (a) 1% for every commenced hour of delay in the Response Time defined in Part G, Article II for Material Defects;
- (b) 1% for every commenced day of delay in the Response Time defined in Part G, Article II for Non-Material Defects;
- (c) 25% for the inability to load a previous Software version (from backup) during an Update/Upgrade; and

(d) 15% for an intervention in a productive Software version without the consent of the Customer.

2. Individual penalties will be calculated as the aforesaid percentage (%) of the applicable annual flat fee for Maintenance Service. The Supplier must pay levied penalties to the Customer within 15 days after the date of receipt of the Customer's request to that effect.

H. Special Provisions for Consulting Service

I. Scope of Performance

1. Unless otherwise stipulated in a special agreement, the following scope of Performance applies in the framework of Consulting Services:

- a) Ongoing Consulting: Ongoing consulting in the framework of processing specific inquiries regarding IT systems in use focuses on providing and integrating technical know-how; and
- b) Project-Related Consulting: Project-related Consulting focuses on the preparation of specific Projects executed for the Customer by third parties, and mainly consists of preparing a planning sheet containing a plan for the progress of work. The foregoing includes, irrespective of other special requirements, as a minimum, describing ideas about processes, analyzing existing conditions, profiling requirements, and formulating general and detailed technical concepts.

2. The Customer may terminate an Agreement at any time using the method laid down in these Terms and Conditions. In such a case, the notice period lasts one month, starting on the first day of the month following the delivery of a notice of termination.

II. Guarantee

1. A guarantee of 12 months is provided for technical and legal Defects.



2. As regards Consulting as per Part H, Article I, Paragraph 1, Subsection b), Defect Resolution has the form of one-time remedy upon the failure whereof the Customer may exercise rights laid down in the Civil Code with regard to contracts for work.

III. Penalties

1. In the event the Supplier is late in the provision of a Service specified in Part H, Article I, Paragraph 1, Subsection b), the Customer may, in addition to the aforesaid legal and agreed claims (contractual penalties), levy a contractual penalty in the amount of 0.5% of the price of the applicable Supply for every commenced day of delay.
2. In the case of Ongoing Consulting, a Defect is subject to a contractual penalty in the amount of 10% of the total value of Performance.

Prague 15 October 2021