

**General terms and conditions of the PYRONOVA group companies for suppliers - annex to an order - Contract for Work - valid from 18.11.2024 (hereinafter "general terms and conditions")**

**1. Subject matter**

1.1 By reference to these general terms and conditions shall be governed a part of the contractual relationship based upon contract for work or a framework contract for work, order acceptance or upon other contract (hereinafter "contract") the subject of which is the completion of the work specified in the relevant contract and/or its annexes (hereinafter "work") through performance of any work and/or delivery of any construction products and other goods and/or delivery of any other execution (hereinafter "execution of the work") by third party as a contractor (hereinafter "contractor") for the company from the group PYRONOVA as a customer (hereinafter "customer") (customer and contractor hereinafter collectively "parties"). These general terms and conditions shall be an integral part of each contract if such contract makes reference to them. For the avoidance of any doubt, in the event that any annexes form part of the contract, any such annex shall form an integral part thereof as these general terms and conditions, and if an item of data is listed in the annex, it is understood that it is specified in the contract. In case of conflict between the provisions of the contract and the provisions of the annex, provisions of the contract shall prevail.

1.2 As the company from the PYRONOVA group for the purposes of section 1.1 of these general terms and conditions shall be deemed particularly the company (1) PYRONOVA s.r.o., with its registered office at Landererova 8, 811 09 Bratislava, Slovak Republic, Identification number: 31 422 802, registered in the Business Register of the District Court Bratislava I, Section: Sro, Insert No.117131/B (2) the company PYRONOVA IS CZECHIA, s.r.o., with its registered office at Studniční 248/18, 617 00 Brno, Czech Republic, Identification number: 607 23 572, registered in the Business Register of the Regional Court in Brno under file number C 16750, (3) the company PYRONOVA IS ROMANIA SRL, with the registered office at Calea Turzii 192, 400495 Cluj-Napoca, Romania, registered at the office of the National Business Register of the Ministry of Justice of Romania under the serial number J12/ 4407/2006, (4) the company PYRONOVA HUNGÁRIA Kft, with registered office H-2040 Budaörs, Építők útja 2-4, Hungary, registered at the registration office of the Ministry of Justice of Hungary under the company identification number: Cg. 01-09-943539, (5) the company PYRONOVA IS SLOVAKIA, s. r. o., with its registered office at

Landererova 8, 811 09 Bratislava, Slovak republic, Identification number: 52 408 132, registered in the Business Register of the District Court Bratislava I, Section: Sro, Insert No. 138215/B,, (6) the company PYRONOVA IS D.O.O. VETERNIK, with its registered office at Sofije Paković 21, 212 03 Veternik, Serbia, identification number: 21684422, (7) PYRONOVA IS DEUTSCHLAND GmbH, with its registered office at Athenstraße 7, 974 24 Schweinfurt, Germany, registration number: HRB 9561, as well as any other company from the group PYRONOVA unlisted in the calculation of the section above which in the contract refers to these general terms and conditions. For the avoidance of any doubt, any changes in the data of PYRONOVA group company specified in this section shall not affect the validity and effectiveness of the contract and of these general terms and conditions to which the contract refers, and data of the PYRONOVA group companies specified in the contract before shall have priority over those specified in this section.

1.3 The provisions set out in these general terms and conditions are essential particulars of each contract. Unless expressly set forth in these general terms and conditions, the parties may not deviate from the wording of the provisions of these general terms and conditions. Any deviating provisions set forth in the contract, except for those which are allowed pursuant to these general terms and conditions, shall have no precedence over the provisions of these general terms and conditions and shall be invalid.

**2. Documentation for execution of the work**

2.1 Documentation for execution of the work shall be specified in the contract and form an integral part thereof (hereinafter "documentation for execution of the work"). Documentation for execution of the work shall mainly be project documentation in accordance with which the work is to be executed (hereinafter "project documentation"), production documentation in accordance with section 2.4 of this Article, order of the customer, bill of quantities or budget containing the scope and cost of the work, construction products and other materials and other performances, the bid of the contractor, valid building permit relating to the work, opinions of the competent public authorities concerning the work, decisions and other acts of public authorities whose content relates to the work or construction thereof or which are necessary for the execution of the work, construction schedule containing binding terms of execution of the work, technological processes for works and other performances or instructions for use and installation issued by the manufacturer of building products and other materials, as well as other documents annexed to the contract concerning the work and its execution.

2.2 By entering into the contract the contractor declares that it has become acquainted with documentation for execution of the work that forms part of the contract before the conclusion of the contract. The contractor shall, without undue delay, but not later than 5 (in words: five) days from the date of conclusion of the contract inform the customer in writing of any inappropriateness of the documentation for execution of the work (i.e. of erroneous documentation for execution of the work, the incompleteness of the documentation for execution of the work, contradiction between the documentation for execution of the work and the contract, these general terms and conditions, instructions of the customer, other documentation for execution of the work or the respective generally binding regulations, technical and other standards relating directly or indirectly to the work, to its execution, to works which are to be made for the work, construction products and other materials to be used in the work and any other performances to be supplied for the work, other annexes of the contract and any other defect or lack of documentation for execution of the work), reasons for the inappropriateness, consequences of using this documentation for execution of the work, its defects or progress of its execution and propose measures to remedy this impropriety. The customer undertakes within 5 (in words: five) days from the date of receipt of such written notice to give written notice to the contractor whether it insists on documentation for execution of the work or it agrees to change it. Possible customer's approval does not relieve the contractor's liability for defects in the work and for causing potential damage to the work, things, property, life and health of others. If unsuitable documentation for execution of the work impedes the proper execution of the work, the contractor is entitled to interrupt its implementation to the extent necessary or not to start with the execution of the work, up to the time of the exchange or change of the documentation for execution of the work or written notice that the customer insists on execution of the work with using the documentation for execution of the work. In justified cases of interruption or failure to start with execution of the work by contractor, the terms specified in the contract or in the construction schedule shall be subject to the shift corresponding to the period during which it was necessary to suspend or not to start with the execution of the work, upon an amendment signed by both parties in accordance with sections 5.4 and 26.2 of these general terms and conditions.

2.3 In the event that some of the documentation for execution of the work at the time of conclusion of the contract did not form a part thereof and were handed over

to the contractor later after its conclusion where it has already become an integral part of the contract, the contractor shall promptly, but no later than 5 (in words: five ) days from the date of receipt of such documentation notify the customer in writing of any possible impropriety of the documentation for execution of the work (i.e. on erroneous documentation for execution of the work, the incompleteness of the documentation for execution of the work, contradiction between the documentation for execution of the work and the contract, these general terms and conditions, instructions of the customer, other documentation for execution of the work or the respective generally binding regulations, technical and other standards relating directly or indirectly to the work, its execution, works which are to be made for the work, construction products and other materials to be used in the work and any other performances to be supplied for the work, other annexes of the contract and any other defect or lack of documentation for execution of the work), reasons for the inappropriateness, consequences of using this documentation for execution of the work, its defects or progress of its execution and propose measures to remedy this impropriety. The customer undertakes within 5 (in words: five) days from the date of receipt of such written notice to give written notice to the contractor whether it insists on documentation for execution of the work or it agrees to change it. Possible customer's approval does not relieve the contractor's liability for defects in the work and for causing potential damage to the work, things, property, life and health of others. If unsuitable documentation for execution of the work impedes the proper execution of the work, the contractor is entitled to interrupt its implementation to the extent necessary or not to start with the execution of the work, up to the time of the exchange or change of the documentation for execution of the work or written notice that the customer insists on execution of the work with using the documentation for execution of the work. In justified cases of interruption or failure to start with execution of the work by contractor the terms specified in the contract or in the construction schedule shall be subject to the shift corresponding to the period during which it was necessary to suspend or not to start with the execution of the work, upon an amendment signed by both parties in accordance with sections 5.4 and 26.2 of these general terms and conditions.

2.4 The contractor undertakes, if necessary, or if the customer requires so, at its own expense and without the right to increase the price of the work to draw up production documentation which will be detailed elaboration of project documentation and will be processed following to the

contractor made fixation of the facts and will be in accordance with the contract, these general terms and conditions, instructions of the customer, documentation for execution of the work, other annexes of the contract, relevant generally binding legal regulations, technical and other standards relating directly or indirectly to the work, execution of the work and works to be carried out in the work, construction products and other materials to be used in the work and any other performances to be supplied to the work, in particular relating to the mechanical and electronic equipment of fixed fire extinguishing equipment or other devices. Production documentation elaborated by the contractor shall be subject to the approval of the customer, and possible approval of the documentation by the customer does not relieve the contractor's liability for defects of the work, quality guarantees and for causing any damage to the site, work, things, property, life and health of the customer and others. The contractor is not entitled to use the production documentation for execution of the work without prior authorization by the customer. Production documentation drawn up by the contractor shall be submitted in triplicate and one digital version to the customer at least 14 (in words: fourteen) days before the commencement of execution of the work or part thereof for approval. It is deemed that by giving the approval for production documentation the customer shall not assume any responsibility for its accuracy, completeness and neither for the result of the work.

2.5 Sections 2.2 and 2.3 of these general terms and conditions shall be appropriately applied to other annexes of the contract.

### **3. The execution of the work**

3.1 By entering into this contract the contractor declares to be authorized and technically competent to execute the work further specified in the contract, these general terms and conditions, the documentation for execution of the work and any other annexes of the contract.

3.2 The contractor undertakes to execute the work for the customer. The contractor shall execute the work properly and on time.

3.3 The contractor will comply with the obligation to properly execute the work, if the contractor executes and completes the work properly.

3.4 Unless the contract stipulates otherwise, the proper execution and completion of the work shall be such a situation of the work:

a) where the work is complete, no ragged parts and functioning,

b) which meets the required purpose or purpose for which it is normally used unless the contract stipulates otherwise (especially in relation to craftsmanship and quality),

c) in which the work is made under the contract, these general terms and conditions, documentation for execution of the work, other annexes to contract, instructions of the customer, the relevant binding regulations, technical and other standards relating to the work, execution of the work, works carried out in the work, construction products and other materials used in the work, any other performances supplied for the work, and

d) in which the work possesses all properties under the contract, these general terms and conditions, documentation for execution of the work, other annexes to contract, instructions of the customer, the relevant binding regulations, technical and other standards relating to the work, execution of work, the works carried out in the work, construction products and other materials used in the work, any other performances supplied for the work, and

e) where the work meets the quality requirements laid down in the contract, these general terms and conditions, documentation for execution of the work, other annexes to contract, instructions of the customer, relevant binding regulations, technical and other standards relating to the work, execution of the work, works carried out in the work, construction products and other materials used in the work, any other performances supplied for the work, and

f) where the work has been subject to performance of all tests, inspections and measurements set by the contract, these general terms and conditions and/or required by the customer and/or specified by the relevant binding legal regulations, technical and other standards, and

g) where the work has been subject to performance of the training of the customer's employees or others persons for use, service and maintenance of the work, including devices that form a part thereof in accordance with the contract, these general terms and conditions, unless the contract provides otherwise, and

h) on which it was drawn up, procured and submitted the documentation for the work under the contract and these general terms and conditions,

i) which is free of any other defects.

3.5 If the contractor breaches the obligation to properly execute the work, the work has defects.

3.6 The contractor shall execute and complete the work within the deadline specified in the contract or in the construction schedule for the construction and completion of the work by the contractor.

3.7 The contractor is obliged to hand over the work to the customer within the time specified in the contract or in the construction schedule for delivery of the work to the customer.

3.8 Obligation to properly execute a work is deemed to be fulfilled in time if within the deadline set in the contract or in the construction schedule for delivery of the work to the customer record of the handover and acceptance of the work is signed containing statement that the contractor hands over and the customer takes over the work.

3.9 For the avoidance of any doubt execution of the work by the contractor in accordance with the documentation for execution of the work, other annexes to the contract or instructions of the customer does not relieve the contractor's obligation to notify the customer of their unsuitability in the cases provided for by these general terms and conditions nor liability for defects and damages if the contractor fails to notify the customer of their unsuitability.

3.10 The contractor is obliged to proceed in the execution of the work with due diligence. The contractor shall commence with the execution of the work within the deadline set forth in the contract or the construction schedule for the start of execution of the work by the contractor.

3.11 The contractor undertakes to execute a work in its own name, on his own responsibility and at its own expense and is obliged to protect it until its takeover by the customer.

3.12 The contractor undertakes to execute the work in accordance with the instructions of the customer. The contractor shall, without undue delay, but not later than 5 (in words: five) days from the date of conclusion of the contract to inform the customer in writing of any inappropriateness of the instruction (i.e. on erroneous instruction, incompleteness of the instruction, contradiction between the other instructions and the contract, these general terms and conditions, documentation for execution of the work, other annexes to contract or respective generally binding regulations, technical and other standards relating directly or indirectly to the work, its execution, works which are to be made for work, construction products and other materials to be used in the work and any other

performances to be supplied for the work and any other defect or lack of instruction), reasons for the inappropriateness, consequences of compliance of this instruction, its defects, or progress of its execution and propose measures to remedy this impropriety. The customer undertakes within 5 (in words: five) days from the date of receipt of such written notice to give written notice to the contractor whether it insists on the instruction or it agrees to change it. Possible customer's approval does not relieve the contractor's liability for defects in the work and for causing potential damage to the work, things, property, life and health of others. If unsuitable instruction impedes the proper execution of the work, the contractor is entitled to interrupt its implementation to the extent necessary or not to start with the execution of the work, up to the time of the exchange or change of the instruction or written notice that the customer insists on the execution of the work with using the instruction. In justified cases of interruption or failure to start with execution of the work by contractor the terms specified in the contract or in the construction schedule shall be subject to the shift corresponding to the period during which it was necessary to suspend or not to start with the execution of the work, upon an amendment signed by both parties in accordance with sections 5.4 and 27.2 of these general terms and conditions.

3.13 If the contractor fails to comply with instructions of the customer without delay, the customer shall be entitled to enroll the instruction as a command to the site diary or send it to the contractor in writing otherwise (in person, by mail). If even after this procedure the instruction is not met by the contractor within 3 (in words: three) days from the date of entry in the site diary, or from the date of its delivery to the contractor, the customer shall be entitled to take measures at the expense of the contractor as it considers necessary for the fulfillment of the instruction. The customer has the right to claim these expenses on a separate invoice addressed to the contractor with a maturity of 14 (in words: fourteen) days from the date of issue. The customer may set off any such costs incurred against the amount due to the contractor or the amounts that will be required to pay in the future to the contractor. Assertion of the right of the customer under this section shall in no way limit the liability of the contractor for defects or damage at the site, work or other things and life and health of the customer and others, and even it shall not transfer this liability to the customer as well as it shall not affect the guarantee for quality.

3.14 For the avoidance of any doubt, instructions of the customer may also be made by its representatives or

persons in charge of the customer specified in the contract or its annex.

3.15 The contractor shall use in the execution of the work solely construction products and other materials that can be used for construction purposes for the work which is the subject of the contract and which meet the requirements of applicable regulations, technical and other standards relating to construction products and other materials that can be used in the execution of the work or on site, as well as the requirements of other applicable regulations, technical and other standards. The contractor is further obliged to use such construction products and other materials that meet the high quality requirements and shall be such as to ensure long-life functionality, mechanical strength and stability of the work, fire safety, health requirements, health and the environment protection, safety in use, noise protection and energy-saving.

3.16 The contractor shall use in the execution of the work only construction products and other materials that comply with the contract, these general terms and conditions, documentation for execution of the work, other annexes to the contract and will be free of any defects and deficiencies.

3.17 The contractor undertakes to ensure all construction products and other materials necessary for the execution of the work and transport them to the site in sufficient time to be available on the site before starting of the execution of the work or its relevant part, unless the contract provides otherwise.

3.18 The customer may give instructions to the contractor that part of the work or all work is to be fabricated from construction products and/or other material designated by the customer. Contractor in this case undertakes to promptly examine the appropriateness (i.e. the non-error, compliance with the contract, these general terms and conditions, documentation for execution of the work, other annexes to the contract, relevant generally binding legal regulations, technical and other standards applicable directly or indirectly to the work, execution of the work, works to be carried out in the work, construction products and other materials to be used in the work and any other performances to be supplied for the work, and the absence of other defects and deficiencies) of such construction products and/or other material and give written notice to the customer of possible unsuitability of construction products and/or other material, reasons for this unsuitability, consequences of its use in the work, its faults, execution process and propose measures to remedy this impropriety. If despite written notice of the contractor of

unsuitability of construction products and/or other material the customer insists upon its use, the contractor is obliged to respect the instructions and use it. If improper construction product and/or other material of the customer impedes the proper execution of the work, the contractor is entitled to interrupt its execution to the extent necessary until amended or until the contractor receives written notice of the customer whereby the customer insists on execution of the work with the use of improper construction product and/or other material. In justified cases of interruption of execution of the work by the contractor the terms specified in the contract or in the construction schedule shall be subject to the shift corresponding to the period during which it was necessary to suspend the execution of the work, upon an amendment signed by both parties in accordance with sections 5.4 and 27.2 of these general terms and conditions.

3.19 The contractor shall carry out at its own expense tests, checks and measurements in order to determine the compliance of construction products and other materials with the relevant applicable regulations, technical and other standards applicable to them, work or execution thereof, works performed in the work or any other performance delivered to a work or other applicable regulations, technical and other standards, contract, these general terms and conditions, documentation for execution of the work and other annexes of the contract, prior to their integration into work or after being incorporated, in case if it is provided by binding legislation or requested by the customer. Test, inspection or measurement shall be carried out with the participation of the parties and the protocol shall be drafted of their results which shall be submitted to each party. In case of construction products and other materials that did not comply with the requirements laid down by the relevant binding legal regulations, technical and other standards applicable to them, work or execution thereof, works performed in the work or any other performance delivered to a work or other applicable regulations, technical and other standards, contract, these general terms and conditions, documentation for execution of the work and other annexes of the contract, the contractor undertakes not to use and to replace them at its own expense or to remove and re-execute the part of the work if they have been already incorporated in the work. The contractor shall, at the request of the customer and at its own expense, perform other tests, inspections or measurements, and it is also obliged at its expense to carry out tests, measurement and control resulting from binding legislation.

3.20 In the event that the customer has any doubts about the quality of construction products and other material or its

complicity with the relevant applicable regulations, technical or other standards applicable to them, work or execution thereof, works performed in the work or any other performance delivered to the work or other applicable regulations, technical and other standards, contract, these general terms and conditions, documentation for execution of the work and other annexes of the contract and which are to be used in the execution of the work, the customer shall have the right to ask the contractor to replace them at its own expense with other construction products and materials.

3.21 The contractor is obliged to hand over to the customer 10 (in words: ten) days prior to the execution of the work technological processes, i. e. technological regulations binding on the performance of works in the work.

3.22 The contractor may authorize to execute the work or part thereof only third party being in a contractual relationship with the contractor (hereinafter "subcontractor") or a person employed by a contractor or in legal relation similar to employment relationship (hereinafter "employee of the contractor" or „employee"). Compliance with the obligation under the preceding sentence is the contractor obliged to provide also with subcontractor and a person employed by a subcontractor or in legal relation similar to employment relationship (hereinafter "employee of the subcontractor" or "employee").

3.23 The contractor shall comply with all applicable binding legislation regarding employment of employees. The contractor shall ensure that its subcontractors comply with all applicable binding legislation regarding employment of employees.

3.24 The contractor shall use for execution of the work only such subcontractors and their employees having required professional qualifications and skills, health and other requirements required by the customer or the relevant law for works performed on the work. The contractor is also obliged to ensure that the requirements under the previous sentence are met by the employees of subcontractors or any other persons involved directly or indirectly in execution of the work.

3.25 The contractor shall, upon the instruction of the customer, withdraw from execution of the work its employee or employee of the subcontractor or arrange to remove the employee of the subcontractor, or any other person involved directly or indirectly in the execution of work which fails to properly and/or timely execute the work

or which is considered by the customer to be incompetent or otherwise incapable for the execution of the work, or otherwise violates its obligations or is detrimental to the interests of the customer, up to 3 (in words: three) days of receipt of the instruction of the customer. The contractor shall immediately replace or provide replacement of the persons under the previous sentence by others.

3.26 The part of the contract and of the commitment of the contractor to execute the work for the customer, is the obligation of the contractor to execute, procure and deliver to the customer together with the work any documentation related to the work, unless the contract stipulates otherwise. Missing, incorrect or incomplete documentation for the work shall be deemed as a defect in the work. Contractor shall be obliged to supply documentation for the work in the language of the country where the site is located, if the contract does not specify that this documentation is delivered in another language. Contractor is obliged to supply documentation for the work in the original version, unless the contract stipulates otherwise, or unless the customer notifies the Contractor in writing that it is sufficient only a photocopy of the original or by notary or another public institution certified photocopy of the original.

3.27 The contractor shall submit documentation of the work at preliminary verification of the work. The customer is not entitled to request the submission of documentation for the work even before the date of the preliminary verification of the work and the contractor is required to comply with this request.

3.28 The documentation for the work is primarily composed of:

- a) project of actual realization in three paper form counterparts and twice in digital form (-dwg.). Project of actual realization means the current project after the execution (realization) of the work in which any deviation of actual execution of the work from project documentation and manufacturing documentation shall be expertly plotted. Every drawing of the project of actual realization shall contain a stamp, signature of the responsible person of the contractor and date of execution,
- b) list of construction products and other materials used in the execution of the work,
- c) certificate of quality and warranty sheets of used construction products and other materials,
- d) documents proving the conformity of construction products and other materials,

e) certificates, authorizations of used construction products and other materials,

f) documents and protocols of the performed tests, inspections and measurements under contract or applicable binding legal regulations, protocol on functional testing of the work,

g) site diary,

h) passports, review books, review reports and similar documents,

i) instructions for use, operation and maintenance of the work in four copies,

j) report on the compliance of the construction product or other material, in accordance with section 3.19 of these general terms and conditions,

a) list of devices that are part of the work, including the installation instructions and maintenance manual, warranty sheets, copies of certificates or other similar documents approving putting them into circulation and use under the relevant applicable legislation,

l) documents relating to the official tests of listed technical devices,

m) report of the performed expert examinations and official tests (inspection reports) for listed technical devices,

n) certificates on fire resistance of used construction products and other materials according to their placement in the work,

o) proof of training of the employees of the customer or a third party for the use, operation and maintenance of the work, including devices that come with it,

p) geodetic documentation,

q) evidence of waste disposal,

r) protocols for testing the individual devices with evaluation under the relevant applicable legislation, technical and other standards, contracts and documents for execution of the work,

s) other documents required by the customer during execution of the work or required by binding legal regulations or public authorities.

3.29 The contract may stipulate the obligation of the contractor to develop, procure and deliver other documents of the work other than those listed in section 3.28 of this

Article or the obligation to present only certain of the documents of the work.

3.30 If it is found during the procedure for the hand over and acceptance of construction as a whole to investors which includes the work executed by the contractor or in the final approval proceedings of such construction the need for further documentation to the work, the contractor commits to provide such documentation for the work at its expense in deadline set by the customer, at the request of the customer, investor or a competent public authority.

3.31 The part of the contract in question and part of the commitment of the contractor to execute the work for the customer is the obligation of the contractor to carry out the test, measurement and inspections in order to demonstrate the functionality and all features of the work, including devices that are parts thereof, as well as other tests, measurement and inspections required by the relevant binding legal regulations in relation to the work and equipment which forms part thereof or for which execution the customer requests so, unless the contract stipulates otherwise. Contractor undertakes by entry in the site diary invite the customer at least 7 (in words: seven) days in advance to participate in the prescribed or agreed tests, measurement and inspection. The progress and results of each test, measurement and inspection shall be recorded in a protocol. In the event of a negative result of the test, measurement or inspection the contractor undertakes after the removal of defects which caused a negative result to repeat the test, measurement or inspection. In case of failure to perform all tests and measurements and inspection or non-performance of all tests and measurements and inspections with a positive result it shall be deemed that the work has defects.

3.32 The parties may agree in the contract the execution of other tests, measurements and inspections and their scope.

3.33 The part of the contract in question and part of the commitment of the contractor to execute the work for the customer is the obligation of the contractor to train employees of the contractor or others for use, service and maintenance of the work including devices which form part thereof, unless the contract stipulates otherwise. Contractor shall perform the training before the date of preliminary verification of the work. The contractor shall be obliged to invite the customer to agree on the date of execution of training of its employees or others and present to the customer at least five possible dates between at least three weeks from which the customer or another person may choose. In case if any of the terms submitted by the

contractor to the customer or any other person fails to comply, the customer shall submit to the contractor proposals for possible dates and the contractor is obliged to choose one. Document shall be drawn up about the training and handed over to the customer. In case of failure of training under this section it shall be deemed that the work has defects.

3.34 The contractor undertakes to invite the customer by the entry in the site diary to inspect all the works on the work that are to be incorporated or become inaccessible, at least 5 (in words: five) working days in advance. If the customer fails to come and inspect these works, the contractor will continue to work. If the customer requires additional uncovering of these works, the contractor is obliged to comply with this requirement at the expense of the customer, provided that the additional inspections did not establish that the work had not been performed properly. Otherwise, the contractor shall bear all the costs. If the contractor fails to invite the customer to inspect these works, the contractor shall, upon written request of the customer at the site diary uncover these works and cover up them again and bear all the costs involved, even if these works have been done properly. Each party has the right to claim these expenses on a separate invoice to the other party with a maturity of 14 (in words: fourteen) days from the date of issue. The customer may set off any such costs incurred against the amount due to the contractor or the amounts that will be required to be paid in the future to the contractor.

3.35 The contractor shall at its own expense and within deadlines set by the customer continually remove the defects of the work identified and claimed by the customer in the course of its execution. Customer shall assert the claim of such defects of the work found in the site diary entry with the specified deadline for their removal. The removal of defects such claimed by the customer shall be entered by the contractor in the site diary.

3.36 The contractor is obliged to remove defects in the work during execution thereof even if the customer is in arrears with payment of the price of the work, otherwise the customer is entitled to remove the defect of the work itself or with the help of a third party at the expense of the contractor. The customer has the right to claim these expenses on a separate invoice addressed to the contractor with a maturity of 14 (in words: fourteen) days from the date of issue. The customer may set off any such costs incurred against the amount due to the contractor or the amounts that will be required to be paid in the future to the

contractor. Assertion of the rights of the customer under this section shall in no way limit the liability of the contractor for defects or damage at the site, work or on other things and the and health of the customer and others and even it shall not be transferred to the customer as well as it shall not affect the guarantee for quality.

3.37 The contractor shall suspend execution of the work upon a written instruction of the customer. For such an instruction of the customer it shall be sufficient an entry in the site diary. Unless the parties agree otherwise, the terms specified in the contract or the construction schedule shall be extended by a period during which the contractor is under the instruction of the customer to interrupt the execution of the work on the basis of a an amendment to the contract signed by both parties in accordance with sections 5.4 and 27.2 of these general terms and conditions. However, if the reason for the instruction to interrupt the execution of the work is a breach of the contractor's obligations under the contract, general terms and conditions or binding legal regulations, the right to extend the deadlines specified in the contract or in the construction schedule shall not arise. The contractor shall continue to work upon the instruction of the customer after the removal of the cause that led to the interruption of execution of the work.

3.38 The contractor is entitled to suspend for strictly necessary period the execution of the work if it finds at the execution of the work any hidden impediments to its execution in an agreed manner. If the contractor suspend the works, it shall notify the customer in writing of this fact within 12 (in words: twelve) hours of its finding and make entry into the site diary, together with a report on the expected duration of suspension and its causes.

3.39 In the event of each interruption to the work the contractor undertakes to recommend to the customer in writing the method that ensures expedient and efficient way of removing obstacles to the execution of the work. Contractor undertakes to implement proposal approved by the customer. Approval of the customer does not relieve the contractor's liability for defects of the work, guarantees for quality and for causing any damage to the site, work, things, property, life and health of the customer and others. The contractor also undertakes to make every effort to ensure that the reasons which led to disturbances will be removed as soon as possible.

3.40 The customer is entitled to demand before and during the execution of the work change in the execution of the work. Change in the execution of the work is any change or modification of the work in its execution upon the request of



the customer. For the avoidance of doubt, any change in the execution of the work shall not be extra performance addressed separately in section 3.42 of this Article or withdrawal of execution of the work addressed separately in section 3.43 of this Article. Changes in the work which will not affect the cost of the work is the contractor obliged to accept and implement without delay. Changes in the works that will affect the cost of the work is the contractor obliged to carry out without delay after an agreement on the new price of the work in accordance with section 7.5 of these general terms and conditions.

3.41 Minor changes and clarifications of the work that do not affect the price of the work, execution date and completion of the work, the date for hand over of the work and partial execution dates specified in the contract or construction schedule or final characteristics of the work may be decided and confirmed by the customer on site through an entry in the site diary. Contractor is obliged to execute these minor changes and clarifications of the work listed in the site diary without undue delay or time limit stated in the entry of the site diary.

3.42 The contractor undertakes to provide at its own expense and risk also all the work, construction products, materials and other services even if the contract does not expressly mention them as part of the work if their construction is or may become necessary for the proper execution of the work, unless the contract stipulates otherwise. In particular it means to carry out necessary works, delivery of any other performances, supply construction products or other materials, their transport to the site, ensure the mast, building, operation and removal of equipment, provision of transport and other measures caused by execution of the work, winter measures preventing any damage to the work, site and the property of the customer and other persons and to human life and health, provide the necessary fire protection and measures to ensure health and safety at work, removal of waste arising from the execution of the work and its professional disposal, required use of public spaces and all the other services necessary for the proper execution of the work.

3.43 The customer is entitled to withdraw the part of execution of the work from the contractor before the contractor began with the execution of the relevant part of the work without giving a reason. Upon the withdrawal of part of the execution of the work is adequately reduced the price of the work in accordance with section 7.5 of these general terms and conditions. In case of withdrawal of the part of the work by the customer, the contractor is entitled

to compensation for proven damage, maximum to the amount of 2% (in words: two percent) of the price of the work without value added tax. The customer is not responsible for lost profits, loss of earnings and other indirect damages caused to the contractor by withdrawal of the part of the work.

#### **4. Site**

4.1 The contractor undertakes to execute the work on site or in construction determined in the contract or its annexes (hereinafter "site").

4.2 The site is a space dedicated to the execution of the work and to carry out works in the work, to supply it with any other performances, for supply and storage of building products and other materials, for storing vehicles and other equipment necessary for the proper execution of the work as well as any other place, as may be specified in the contract or its annexes as part of the site.

4.3 The contractor undertakes before starting execution of the work to become properly acquainted with the site and its surroundings, documentation relating to the site and undertakes to obtain all information on the site required for the proper execution of the work and for the prevention of defects and damage to the site, parts, assets and property of the customer and others, life and health. The contractor is fully responsible for the formation of any defects or damage at the site, work, things and property of the customer and other persons's life and health as a result of an infringement under the previous sentence.

4.4 The contractor is obliged to take over the site on the date specified in the contract or in the construction schedule for the take over of the site by the contractor. The hand over and acceptance of the site shall be recorded by the parties in written record of hand over and acceptance of the site signed by both parties which specifies in particular the scope, boundaries and the status of the site, the drawing of horizontal and vertical pixels, access routes and places for canalization, possibly also measures to waste management and wastewater management and other factors.

4.5 The customer shall determine the connection points for the consumption of electricity and water. The contractor shall at its own expense and risk provide a link attached during coupling and connection point and measuring apparatus, unless the parties agree otherwise. The contractor shall pay the customer the cost of collected amounts of electricity and water calculated upon the prices negotiated with the suppliers against the invoice issued by

the customer with a maturity of 14 (in words: fourteen) days from the date of issue. The customer may set off any such costs incurred against the amount due to the contractor or the amounts that will be required to be paid in the future to contractor.

4.6 The contractor is not entitled to place a sign at the site of its trade name or other mark indicating its participation in the execution of the work. The contractor shall ensure that its subcontractors do not place on the site designation of their trade name or other designation indicating participation in the execution of the work.

4.7 The contractor shall ensure that only person mentioned by its name in the list submitted to the customer before starting execution of the work, that it is hereby required to be drawn up, enter the site. The list shall contain the name and surname of the person and of the contractor, subcontractor or other person in the name of who this person execute the work or part thereof. Other persons may only enter the site upon knowledge of the customer, based on an entry in the site diary and accompanied by person specified by the customer. The customer is not liable for damages caused by violation of this section. This section is without prejudice to the obligations of the contractor under Article 24 of these general terms and conditions.

4.8 Contractor is obliged to use the site premises only for purposes related to the execution of the work. For parking of motor vehicles on the site the contractor is obliged to use only spaces determined for this purpose by the customer.

4.9 In relation to the site, the contractor is obliged to ensure, in particular, but not exclusively:

- a) that the site will not be accessible to unauthorized persons especially for places where there may be danger to life or health,
- b) identification of the site with an indication of the work required by the relevant applicable regulations,
- c) the establishment of the entrance and exit of local roads or utility road for the supply of construction products and other materials, removal of soil and rubble and access for vehicles of medical aid and fire protection and maintenance thereof in undamaged and clean condition,
- d) location and storage of equipment on the site (i. e. temporary buildings and facilities which during the course of the work or removal of defects of the work are for operational, production, storage and social purposes), other

devices, construction products and materials necessary for the execution the work,

e) waste disposal,

f) order and cleanliness on the site and its surroundings and on used utility networks,

g) health and safety of all persons on the site and fire protection of the site and work, instruction of the persons on site for health and safety and fire protection on the site and the work,

h) implementing the measures needed to protect the environment at the site and beyond the site,

i) prevention of damage to third party property and human life and health,

j) fulfillment of other obligations under relevant applicable legislation.

4.10 Site shall meet the requirements specified by the relevant binding legal regulations, especially regulations on safety and health at work, fire protection and environmental protection at the site and beyond the site.

4.11 The contractor shall vacate the site from all equipment, other equipment, redundant construction products and materials and other things and waste and hand over clean and safe site on the date the customer signs the handover and takeover of the work.

4.12 In the event that the contractor uses the site equipment built or secured by the customer, the contractor is therefore required to pay the customer a fee of 5% (in words: five percent) of the price of the work specified in the contract, upon the invoice issued by the customer with maturity of 14 (in words: fourteen) days from the date of issue, unless the contract stipulates otherwise. The customer may set off this charge against the amount due to the contractor or the amounts that will be required to be paid in the future to the contractor.

## **5. Dates for execution of the work**

5.1 The date of take over of the site by the contractor, start date of execution of the work by the contractors, execution date and date of completion of the work by the contractor and the date of hand over to the customer as well as partial dates of execution of the work shall be specified in the contract or in the construction schedule.

5.2 The date of take over of the site by the contractor, start date of execution of the work by the contractors, execution

date and date of completion of the work by the contractor and the date of hand over to the customer as well as partial dates of execution of the work shall be specified in the contract or in the construction schedule and shall be mandatory for the contractor and failure to comply with them shall be deemed as a substantial violation of the contract.

5.3 If it becomes proven that the process of the contractor with regard to the execution of the work is slow or the contractor for any other reason repeatedly fails to meet any of the deadlines set out in the contract or the construction schedule, the customer may grant to the contractor instruction to carry out additional measures to speed up execution of the work to ensure that all deadlines stemming from contract or the construction schedule will be met and the contractor undertakes to comply with such an instruction and perform it. These measures shall be carried out by the contractor at its own expense, without the right to increase the price of the work. If the contractor fails to perform the measures under this section or the measures of the contractor prove insufficiently effective, the customer shall have the right to take measures to speed up execution of the work itself and the costs in relation to such measures shall be borne by the contractor. The customer has the right to claim these expenses on a separate invoice addressed to the contractor with a maturity of 14 (in words: fourteen) days from the date of issue. The customer may set off any such costs incurred against the amount due to the contractor or the amounts that will be required to be paid in the future to the contractor. Implementation of the right of the customer under this section shall in no way limit the liability of the contractor for defects or damage at the site, work or on other things and the life and health of the customer and others and even it shall not be transferred to the customer as well as it shall not affect the guarantee for quality.

5.4 The date of take over of the site by the contractor, start date of execution of the work by the contractors, execution date and date of completion of the work by the contractor and the date of hand over to the customer as well as partial dates of execution of the work specified in the contract or in the construction schedule may be modified only upon written agreement of the parties as an amendment to the contract.

## 6. Site diary

6.1 The contractor shall conduct the site diary after take over of the site until the date of signing the record on hand over and take over of the work. The purpose of conducting site diary is possibility of inspection of the work during execution

thereof by the contractor from the part of the customer. The constructor shall keep the site diary on the site in order to secure permanent access for the customer at least every working day during the period from 8:00 am to 05:00 pm. The contractor shall make available the site diary to the customer under previous sentence. Contractor is obliged to protect the site diary before its destruction, damage and loss. The contractor shall conduct the site diary so that individual records contain true facts.

6.2 The contractor shall keep the daily records in the site diary and their minimum content shall be:

- a) date,
- b) the name of the subcontractors involved in the execution of the work and others, number of employees of the contractor involved in the execution of the work, number of employees of sub-contractors involved in the execution of the work, and the number of employees of other persons involved in the execution of the work,
- c) weather,
- d) description of the activities,
- e) information on the temporal progress of the work,
- f) the nature and quantity of construction products and materials used,
- g) other factors.

6.3 In addition to the daily entries in accordance with section 6.2 of this Article the contractor shall further record into the site diary extraordinary entries if they occur:

- a) take over of the site,
- b) accidents at work,
- c) collision with other contractors,
- d) the failure to start the execution or interruption of execution work, including reason and period of interruption or failure to start the execution of the work,
- e) notification of the cover of the part of the work,
- f) notification of the date of upcoming tests, inspections and measurements and the date of the preliminary verification of the work,
- g) details of deviations from the project documentation, other documentation for execution of the work and the reasons for these deviations,

- h) factual issues affecting the execution of the work, particularly the observance of time limits laid down herein or in the construction schedule,
- i) details of action taken upon the instructions of the customer especially on corrective actions taken,
- j) notice of the removal of defects claimed by the customer during the execution of the work,
- k) the date of site visits, observations and actions of the person authorized to perform state construction supervision and the person performing state supervision,
- l) notice of change of representative or the person responsible of the parties,
- m) all relevant circumstances concerning the execution of the work and other factors.

6.4 Entries in the site diary shall perform on behalf of the contractor the persons in charge of the contractor, preferentially the construction manager. Entries shall be performed as a regular daily records and extraordinary records (entries). Daily record shall be carried out in execution of the work day after all the works. Daily record may be made the next day only in justified cases.

6.5 The customer is entitled to comment on individual entries of the contractor at the site diary and make its own entries into the site diary to which, in the contrary, the contractor shall be entitled to give its opinions.

6.6 The contractor shall allow designer, surveyor and cartographer of the work, persons authorized to perform state construction supervision and persons exercising state supervision to perform an entry into the site diary.

6.7 The contractor shall submit to the customer the site diary at least once a week. If comments, statements, announcements, invitations, requests, opinions of the contractor to the customer are part of the entry in the site diary, the contractor undertakes to deliver them to the customer without delay also by other means (in person, by mail). The customer undertakes to give its opinion to them within 5 (in words: five) working days from receipt of the contractor.

6.8 The contractor shall make entries in the site diary in as many copies as the customer may be able to receive two copies of entries. Contractor is obliged upon the call of the customer to provide the customer with these two copies of each entry.

6.9 Site diary is the basic document during the execution of the work. Entries in the site diary are not likely to change the contents of the contract. Previous sentence shall not apply in the cases referred to in section 3.40 of these general terms and conditions.

## **7. Price of the work and payment terms**

7.1 Customer undertakes to pay the contractor for the proper and timely work made, the price of the work agreed in the contract. Price of the work agreed in the contract is a fixed price and the maximum price, regardless of the budget annexed to the contract, unless the contract stipulates otherwise. The parties agree that all financial transactions between the parties shall be made in EURO (in words: Euro) unless the contract stipulates otherwise. For the avoidance of any doubt, in the event that the parties agree in the contract to another currency cash transactions than the EURO currency (in words: Euro), this does not affect the currency set forth in the provisions of the contractual penalty specified in these general terms and conditions.

7.2 In the price of the work shall be regardless of any business practices otherwise common in the industry, covered all the costs of fulfilling the obligations of the contractor under the contract, these general terms and conditions and execution of the work, especially the costs of works, other supplies, building products and other material necessary for the execution of the work as well as other costs for execution of the work, such as the costs of moving construction products and other material, work equipment and other equipment, employees of the contractor, subcontractors, employees of subcontractors and others, repeated excavation in case of burial or landslide, setting up equipment of the site, site operations, including the consumption of energy and media, cleaning and guarding the site, disposal of the site, handling and disposal of waste, including disposal of any removed parts, insurance under the contract, duties or other fees associated with the import of construction products and other material, fees associated with certification of the products, administrative or similar charges levied by any public authority, cost of training of the employees of the customer or third parties to use, service and maintenance of the work, including devices that form a part thereof under the contract or these general terms and conditions, cost of implementation of all test, measurement and inspection of the work, including devices that form a part thereof under the contract or these general terms and conditions and the applicable legislation and the cost of producing full documentation of the work that is necessary to use the work or related to it under the contract or these

general terms and conditions. The cost of the work shall include all costs associated with the re-performance of the obligation by the contractor or its subcontractors or any other person involved directly or indirectly in execution of the work if the re-performance is not due to the customer.

7.3 The contractor shall give written notice to the customer that it has become a payer of value added tax or it has ceased to be a payer of value added tax within 5 (in words: five) days from the date when either of these facts occur. Value added tax shall be invoiced in accordance with the relevant binding legislation on value added tax. If the contractor is exempt from paying value added tax it shall so indicate on the invoice and by written notice to the customer.

7.4 The price of the work may be changed only in the cases and manner stipulated by the contract and only upon written agreement of the parties in an amendment thereto.

7.5 Where the case referred to in the contract or in section 3.40 or section 3.43 of these general conditions occurs, the price of the work will be adjusted in accordance with the following procedure which the parties undertake to observe: work, construction products and other materials and any other performances shall be awarded according unit prices,

a) under the contract or bill of quantities or budget annexed to the contract or,

b) upon agreement between the customer and the contractor or,

c) upon CENECON price list applicable at the time of the contract is concluded, unless the previous rules are not applicable.

7.6 The customer shall pay the price of the work under the partial invoices issued by the contractor and upon final invoice of the contractor, unless the contract stipulates otherwise.

7.7 If the contract does not specify otherwise, the contractor's invoices shall be issued 1x (in words: once) per month upon the inventories of actually completed works, incorporated construction products and other materials delivered and other performances (hereinafter "inventory of works") submitted by the contractor and approved by the customer. In the inventory of works shall be recorded a detailed breakdown of the works performed, use of construction products and other material and other performances supplied for the given period and price according to the itemized budget statement or bill of quantities. The inventory of works shall further contain a

recapitulation of hitherto invoice after each item. The inventory of works shall be signed by the contractor and shall be handed over to the customer in the original. The contractor is entitled to issue a partial invoice only upon approval of the inventory of works by the customer. The partial invoices shall be issued by the contractor progressively up to 90% (in words: ninety percent) of the price of the work.

7.8 Unless the contract stipulates otherwise, the final invoice shall be issued by the contractor within 15 (in words: fifteen) days from the date of signing the record on the handover and acceptance of the work by the parties and approval of the inventory of works by the customer. The inventory of works shall be signed by the contractor and handed over to the customer in the original. In the final invoice the contractor shall invoice the remaining 10% (in words: ten percent) of the price of work.

7.9 Invoices with taxable supplies in the previous month shall be received no later than 10th (in words: tenth) day of the following month along with attachments to the e-mail address of the customer:

- [invoice.sk@pyronova.com](mailto:invoice.sk@pyronova.com) (the Slovak Republic)
- [invoice.cz@pyronova.com](mailto:invoice.cz@pyronova.com) (the Czech Republic)
- [invoice.ro@pyronova.com](mailto:invoice.ro@pyronova.com) (for Romania)
- [invoice.hu@pyronova.com](mailto:invoice.hu@pyronova.com) for Hungary)
- [Invoice.de@pyronova.com](mailto:Invoice.de@pyronova.com) (for Germany)
- [Invoice.rs@pyronova.com](mailto:Invoice.rs@pyronova.com) (for Serbia)

always on the e-mail address of the customer for the country which coincides with the country of residence of the customer or to another e-mail address stated in the contract or after the contract notified in writing by the customer to the contractor.

7.10 Invoices shall always contain in addition to the data required by the relevant applicable regulations governing the particulars of invoices or tax documents, also the following details:

- a) indication that it is an invoice and its number, in the case of final invoice indication that it is the final invoice,
- b) name, address of establishment, identification number, tax identification number, tax identification number of value-added tax of the customer and the contractor,

- c) contract number, designation and place of the work,
- d) designation of the bank and the account number in IBAN format or in any other form to which it is to pay,
- e) date of supply of the performance, the date of invoice, and the due date of the invoice,
- f) amount invoiced without value added tax,
- g) rate of value added tax and the amount invoiced with value added tax if the contractor is a payer of value added tax,
- h) statement on the exemption from value added tax, or an indication that the contractor is not subject to value added tax,
- i) amount invoiced with value added tax,
- j) number, scope and type of billable work, goods and services;
- k) deduction of retention,
- l) deduction of price of the work discounts for which the customer maintains a claim,
- m) evaluation of already invoiced price without value added tax, actual invoiced price without value added tax, balance amount of the invoice without value added tax,
- n) statement of eventual instalments or advances paid and counting towards invoice,
- o) stamp and signature of authorized representative of the contractor,
- p) other requirements specified by the relevant legislation or separately agreed in the contract.

7.11 An essential and integral part of each invoice shall be the inventory of works agreed and confirmed by the customer with recap of hitherto invoicing, item by item, the declaration protocol. A necessary and integral part of the final invoice is the record of hand over and acceptance of the work and the list of all partial invoices signed by the contractor and forwarded to the customer in the original.

7.12 The maturity of all invoices shall be agreed in the contract. If the maturity of invoices is not stipulated in the contract, the payment period is of 60 (in words: sixty) days from the date of receipt of the invoice to the e-mail address of the customer as determined in accordance with section 7.9 of this Article.

7.13 If the invoice does not contain the requirements pursuant to section 7.10 of this Article or contains false or erroneous information or does not contain the annexes referred to in section 7.11 of this Article or these annexes contain false or inaccurate data or the invoice is not received on the e-mail address of the customer pursuant to section 7.9 of this Article, the customer is entitled to return the invoice to the contractor for immediate processing or completion or processing or completion of annexes or to delivery to the correct e-mail address. In the returned invoice the customer shall indicate the reason for the return. Upon receipt of a corrected invoice together with annexes or invoice with corrected annexes or invoice to the correct e-mail address, a new period due in accordance with section 7.12 of this article shall commence to run. Customer is entitled to return the invoice in case if there is a fact foreseen in section 7.16 of this Article.

7.14 The date of payment of each invoice shall mean the day of debiting the outstanding amount from the customer's account in favour of the account of the contractor specified in the contract.

7.15 The parties agree that at partial invoices the delivery date of the taxable performance shall be the last day of the calendar month in which there was execution of the work or part thereof. The parties agree that the date of delivery of a taxable performance for the final invoice shall be the day of taking over the work listed in record of hand over and acceptance.

7.16 Before issuance of each invoice the contractor shall send to the customer the inventory of works. Within 7 (in words: seven) working days of receipt of the inventory of works the customer shall confirm the execution of works, use of construction products and other materials and supplies of other performances in the declaratory protocol or send in this period declaratory protocol containing a detailed and transparent description of the disputed facts in the inventory of works. If the agreement between the parties in the agreed quantity or type of works carried out, use of construction products and other material or supply other performances cannot be reached, the contractor is entitled to charge only those procedures for which there is no contradiction. If the invoice of the contractor includes items that have not been approved by the customer or other defects, the customer is entitled to return the invoice.

7.17 The parties agree that the customer is entitled to retain interest free the amount of 10% (in words: ten percent) of the price of work without value added tax included in the contract as the retention (hereinafter "retention").

Retention serves as security for the customer for proper and timely execution of the work by the contractor and for removal of defects of the work within the warranty period. The parties agreed that the customer is entitled to satisfy by a unilateral set-off of its retention against its claims for defects of the work, cost of removing defects in the work, claims to liquidated damages, claims for damages and other costs or claims of the customer against the contractor. Retention shall be created so that the customer shall retain from any invoice amount of 10% (in words: ten percent) of the invoiced price without value added tax. Retention shall be released to the contractor as follows:

a) 50% (in words: fifty percent) of the retention after signing of the record of handover and acceptance by the parties. Customer shall release this retention within 10 (in words: ten) days from the date of signing the record on the handover and acceptance by the parties.

b) 50% (in words: fifty percent) of the retention after the warranty period expiry and removing any claimed defects within the warranty period, and within 30 (in words: thirty) days after written notice of the contractor for the payment of this part of retention.

7.18 If the investor alleges defects of works, building products and other performances for the work under the responsibility of the contractor and retains for that reason payments attributable to the customer, the customer is entitled to withhold from payments to the contractor the amount corresponding to the amount thus withheld by the investor. This right ceases to exist at the moment when the contractor proves that it has corrected the defects alleged by investor or the performance without defects under the responsibility of the contractor. This shall not affect the agreed retention. If the investor is towards the customer in arrears in the payment of the price of the work or part thereof for reasons arising not for defects of performance of the contractor, but for other reasons for which the contractor is responsible towards the customer, the customer is entitled to assign to the contractor claim against the investor for the price of the work or part thereof with which the investor is late in paying towards the customer for consideration of the amount of such assigned receivable and the contractor commits to take a claim against the the investor and to pay to the customer specified consideration. The parties undertake to conclude a contract for the assignment of that claim within 30 days of demand of the customer, with the deadline for payment of consideration by the contractor to the customer of 15 (in words: fifteen) days from the date of conclusion of the contract. The parties

agree that the customer may set off consideration provided by the contractor for the assignment of receivable towards the investor against the contractor's receivable due to the customer for non-payment of price of the work under the contract as well as any other claim of the contractor against the customer. If the agreed assignment of a claim is impossible, especially for its ban by the investor, in the event of late payment of the price of the work or part thereof by the investor towards the customer for reasons not of defects in performance of the contractor, but for other reasons for which the contractor is responsible towards the customer, the customer is entitled to withhold from payments to the contractor the amount corresponding to the amount unpaid by the investor for a period of delay in the payment by the investor.

7.19 The contractor is obliged to offer to the customer upon its requirement documents proving that it has paid customs duties, taxes and fees.

## **8. The handover and acceptance (take over) of the work**

8.1 The subject of hand over and acceptance of the work may only be the work as a whole, unless the contract stipulates otherwise.

8.2 The hand over and acceptance of the work as a whole shall take place in two stages:

a) preliminary verification of the work,

b) procedure for the hand over and acceptance of the work.

8.3 Prior to the procedure of hand over and acceptance of the work the contractor shall convene by notice in writing addressed to the customer preliminary verification of the work no later than the on the deadline for the execution and completion of the work by the contractor. Preliminary verification of the work shall be carried out on the site and shall consist of a comprehensive survey of the work and of possible defects in the work. The parties undertake to take part in preliminary verification of the work. This preliminary verification of the work shall not replace the procedure for the hand over and acceptance of the work.

8.4 The contractor shall prepare and submit to the preliminary verification of the work in particular the documentation according to section 3.28 of these general terms and conditions or under the contract.

8.5 The course of the preliminary verification of the work shall be recorded by the parties in a protocol (hereinafter "the protocol of preliminary verification of the work") which contains the list of possible defects of the work together with

the set of deadline when the contractor is obliged to remove any of them, list of handed over documents, list of documents which have not been handed over together with the determination of the date of their hand over, determination of the date of the procedure of hand over and acceptance of the work. Each party shall receive one copy of the protocol of preliminary verification of the work.

8.6 Procedure for the handover and acceptance of the work shall take place no later than the last day of the deadline stipulated in the contract or in the construction schedule for hand over to the customer. The parties undertake to participate in the proceeding concerning the hand over and acceptance of the works. The procedure for the hand over and acceptance of the work shall consist of a comprehensive survey of the work and inspection of removal of the defects on the work identified during the preliminary verification and inspection of other possible defects undetected during the preliminary verification of the work.

8.7 The customer undertakes to accept work if it was properly executed and completed.

8.8 The course of the procedure for the hand over and acceptance of the work shall be recorded in written record of hand over and acceptance of the work containing the statement of the customer on the removal of the defects of the work identified during the preliminary verification of the work, date of hand over and take over of the work which shall be the last day of the procedure of hand over and acceptance of the work, statement on hand over of the work by the contractor and its acceptance by the customer, and other factors (in the text as "record of the handover and acceptance of the work").

8.9 In the event that during the procedure of hand over and acceptance of the work it is found that defects in the work identified in the preliminary verification of the work have not been removed or new defects in the work have occurred which were undetected during the preliminary verification of the work, the procedure for the hand over and acceptance of the work shall be suspended for a period determined by the customer within which the contractor is obliged to remove defects in the work. Suspension of the procedure of hand over and acceptance of the work shall be entered into record of hand over and acceptance of the work and into the site diary together with the defects and the deadline for their removal. After removing the defects in the work the contractor call the customer for further procedure of the hand over and acceptance of the work. In case of failure to remove the defects in the work or the appearance of new defects in the work the proceeding of the hand over and

acceptance of the defects and unfinished work is interrupted for the purpose of removal thereof and this section shall apply mutatis mutandis. This process of the suspension of procedure of handover and acceptance of the work shall be repeated until the work defects found during the preliminary verification of the work or the procedure of hand over and acceptance of the work will not be completely removed. The parties may agree that the defects in the work identified in the preliminary verification of the work or procedure of the transfer and acceptance of the work are removed within the warranty period.

8.10 In the event that during the procedure of hand over and acceptance of the work it is found that defects in the work identified in the preliminary verification of the work have been removed or there were no new defects in the work detected during the preliminary verification of the work, the customer undertakes to accept work in accordance with section 8.7 of this Article.

8.11 The signing of the record of the hand over and acceptance by the parties leads to hand over of the work to the customer.

## **9. Liability for defects and warranty for quality**

9.1 The contractor shall be responsible within the defect liability for that work will be complete, with no ragged parts and functioning, satisfying the required purpose or purposes for which it is normally used unless the contract provides otherwise (especially in relation to craftsmanship and quality), that it is made under the contract, these general terms and conditions, documentation for execution of the work, other annexes to the contract, instructions of the customer, relevant binding regulations, technical and other standards relating to the work, execution thereof, works done in the work, construction products and other materials used for the work, for any performance submitted for the work, that it has the characteristics agreed upon and under the contract, these general terms and conditions, documentation for execution of the work, other annexes to the contract, instructions of the customer, relevant binding regulations, technical and other standards relating to the work, execution thereof, works done in the work, construction products and other materials used in the work, any other performances supplied to the work, that it meets the quality requirements laid down in the contract, these general terms and conditions, documentation for execution of the work, other annexes to the contract, instructions of the customer, relevant binding regulations, technical and other standards relating to the work, execution thereof, the works done in the work, construction products and other



materials used for the work, for any performance submitted for the work, that all the tests, inspections and measurements set by the contract, these general terms and conditions and/or required by the customer and/or specified by the relevant binding legal regulations, technical and other standards shall be performed upon the work, that training of the customer's employees or a third party has been carried out on use, operation and maintenance of the work, including devices that form a part thereof in accordance with the contract, these general terms and conditions unless the contract provides otherwise, that the documentation for the work has been drawn up and handed over under the contract and these general terms and conditions and that the work is free from any other defects (hereinafter "work characteristics"). The parties may agree in the contract a wider range of liability of the contractor for defects.

9.2 The contractor is liable for defects of the work at the time of signing the record of handover and acceptance of the work, even if the defect of the work becomes apparent (it is detected by the customer) after this moment. The contractor is also responsible for any defect of the work which occurs to the work even after the point referred to in the preceding sentence if the defect of the work arises from the breach of the contractor's obligations imposed on it by the contract, these general terms and conditions or binding laws. The contractor shall also be responsible for defects that occur upon damage of the work by the customer, its employees or third parties as a result of their actions in terms of the instructions for use of the work or other documentation forwarded for the work to the customer by the contractor.

9.3 Liability for defects in the work provided for in the relevant binding regulations in so far as extending the responsibility of the contractor for defects of the work or supplementing the rules of liability for defects in the work referred to in these general terms and conditions shall be valid and effective in addition to the adjustment of liability for defects in goods covered by these general terms and conditions.

9.4 The contractor shall provide the customer with a guarantee for the quality of work consisting in the fact that the work will take and retain the characteristics of the work set out in section 9.1 of this Article, during the warranty period of 63 (in words: sixty-three) months, commencing on the day of signing the records of the hand over and acceptance by the parties, if the contract does not provide for a different period of the warranty period. The parties agree that in case if the warranty period of the customer

towards the investor under the contract concluded between them and which contains the demand to execute the work that is the subject of the contract between the contractor and the customer, expired later than the warranty period of the contractor towards the customer under the contract, the warranty period provided by the contractor under the contract or these general terms and conditions shall end upon the last day of the warranty period of the customer towards the investor. The customer shall notify the contractor of this fact. The contractor shall not later than 2 (in words: two) months before the expiration of the warranty period notify the customer in writing of this fact and invite the customer to survey the work which shall also be attended by the contractor, for the purpose of determining its status and eventual removal of deficiencies and defects, otherwise the warranty period shall be extended by the period for which the contractor is in default with the fulfillment of these obligations. Parties may agree to a wider range of quality guarantees.

9.5 The contractor shall not be liable for defects in the work caused by improper construction products and/or other materials handed over by the customer if the contractor notify the customer on the unsuitability of construction products and/or other materials in writing and the customer despite this notification insisted on its use. The contractor however shall be responsible for defects in the work resulting from construction products and/or other material handed over by the customer whose unsuitability has not been notified by the contractor to the customer in writing. The contractor is liable for defects in the work due to the construction products and/or other materials which the contractor has procured itself for the execution of the work as well as for defects caused during the execution of the work or any other performances supplied for the work.

9.6 The contractor shall not be liable for defects in the work incurred due to the insuitability of documentation for execution of the work or another annex of the contract if the contractor notifies the customer in writing of the unsuitability of the documentation for execution of the work or another annex of the contract and the customer despite the notification insists on its use. The contractor shall be however responsible for defects in the work resulting from the documentation for execution of the work or other annex to the contract unsuitability of which the contractor fails to notify the customer in writing. In the case of production documentation elaborated by the contractor in accordance with section 2.4 of these general terms and conditions the contractor shall be solely and at all times responsible for

defects of the work caused by inappropriate production documentation.

9.7 The contractor shall not be liable for defects in the work incurred due to the customer's instruction if the contractor notified the customer of the unsuitability of this instruction in writing and the customer despite such notification insisted on its use. The contractor shall be responsible for defects in the work, resulting from customer's instruction if it failed to notify the customer in writing of its unsuitability.

9.8 The customer undertakes to claim the defects in the work by the contractor after their detection, but no later than the warranty period expiry. In the claim protocol the customer shall include a specification of defects in the work and claims of defects that the customer asserts and the fact whether it is a defect of the work in accordance with section 9.12 of this Article. Customer is entitled to assert one of the following claims of defects:

- a) removal of the defect in the work by the contractor, especially the repair of defects, delivery of missing quantities or replacement quantity of works, building products and other material or any other benefit or the removal of legal defects of the work or otherwise,
- b) removal of defects in the work by the customer or a third party at the expense of the contractor,
- c) ask for discount on the price of the work,
- d) withdraw from the contract,
- e) require other claims for defects under the relevant applicable legislation.

9.9 The contractor shall be liable to remove defects in the work for which it is responsible or which occur during the warranty period and will be claimed by the customer at its own expense, and in case of any of option of the claims of defects by the customer.

9.10 The option between the claims of defects mentioned in section 9.8 of this Article shall lie within the customer if the customer notifies the contractor of this option in the claim protocol sent to the contractor.

9.11 In the event of the option of removal of defects as claim for defects, the contractor is obliged to remove the defect in the work in 48 (in words: forty-eight) hours from the claiming of the defect in the work by the customer. The parties may also agree on a different time-limit within which the contractor is obliged to remove the claimed defect in the work.

9.12 In the event of claiming the defects of the work threatening the security or operation of the work or endangering property, life and health or in case of defects in the work to the proper use of the work, the contractor is obliged to remove the defects in the work within 24 (in words: twenty-four) hours of the complaining of the customer.

9.13 The contractor is obliged to remove the claimed defect in the work for which it denies responsibility but the elimination of which can not be postponed. If it is established that a contractor is not responsible for defects in the work that it has removed, the contractor shall be entitled to justified costs in this case paid by the customer upon mutual agreement of the parties. The costs of the contractor shall be determined in such cases on the basis of the usual price at the time of removal of the claimed defects in the work.

9.14 If the contractor is in delay with the removal of the claimed defects in the work, the customer may remove such defect itself or through a third party and the contractor is required to pay him the costs which it efficiently incurred. The costs shall be determined in such cases on the basis of the usual price at the time of removal of the claimed defects in the work. Customer shall notify the contractor for doing so, if possible, in advance. The customer shall assert these costs based on a particular invoice addressed to the contractor with a maturity of 14 (in words: fourteen) days from the date of issue. The customer may set off such incurred costs to remove defects in the work against any claims against of the customer towards the contractor, particularly with the retention. By removal of the defect in the work by the customer or a third party at the expense of the contractor shall not terminate the responsibility of the contractor for defects or warranty for quality under contract or these general terms and conditions and neither their scope shall be restricted as well as any other claims of the customer shall not cease to exist especially those to liquidated damages associated with delay in removal of defects.

9.15 If the contractor removes the claimed defect in the work, it undertakes to issue an acknowledgement to the customer.

9.16 Customer may eliminate the defect in the work itself or through a third party at the expense of the contractor, unless such right was asserted in the claim protocol. Contractor is obliged to pay to the customer the cost incurred by the customer due to removal of such defects in the work that were efficiently spent. The costs shall be determined in such cases on the basis of the usual price at the time of removal

of the claimed defects in the work. The customer may assert these costs based on individual invoice addressed to the contractor with a maturity of 14 (in words: fourteen) days from the date of issue. The customer may set off such incurred costs to remove defects in the work with any claims of the customer against the contractor, particularly with retention. Removal of the defects in the work by the customer or a third party at the expense of the contractor shall not terminate the contractor's responsibility for defects or warranty for quality under contract or these general terms and conditions and shall not restrict their scope.

9.17 Until removal of the defects in the work, the customer is not required to pay part of the price of the work which would correspond to a discount of the price of the work if the defects in the work were not removed.

9.18 If it appears that:

- a) defect in the work or part thereof is persistent, or
- b) removal of defects in the work would involve unreasonable costs, or
- c) removal of the defects in the work would require a disproportionately large customer interaction, or
- d) removal of defects in the work was only possible after the expiry of inadequate time

the customer is entitled to (i) require the contractor to carry out indemnification consisting in the execution of works, the supply of construction products and other materials and supplies of any other performances in the deadline set by the customer or provide such substitute performance by a third person at the expense of the contractor and/or (ii) require discount of the price of the work from the contractor.

9.19 In the event that the customer requests a discount of price of the work as claims for defects, the parties agree that in determining the amount of this discount the customer shall rely mainly on an assessment of the following circumstances:

- a) costs and time that the customer will have to spend on activities and synergies that are essential to the work to become without defects in terms of the contract, and
- b) value of the work, and
- c) significance of the work for economic or business activities of the customer or a third party, and
- d) amount of damages that may be caused by defective nature of the work to the customer or a third party.

9.20 The customer is entitled to the discount of the price of the work applied directly in the claim protocol or even additionally after its calculation.

9.21 Customer shall be entitled to reduce the price of the work or part thereof by discount of the price of the work. In case the customer paid the price of the work or part thereof to the contractor, the customer has the right to:

- a) return the price of the work or part thereof up to the asserted discount of the price of the work,
- b) unilateral right to set-off discount of the price of the work against any claim of the contractor due to the customer, particularly against retention.

9.22 The warranty period shall be suspended and shall always be extended by the period during which it is possible to those parts of the work of which the defect occurred or which relate to defective performance, used for defects in the work. However, such a defect prevented the use of the work and other parts of the work or the entire work, extending the warranty period and for those parts of the work or the entire work.

9.23 Any replaced construction products and other materials and any other performances carried out in connection with removal of defects in the work shall also be subject to the provisions of the contract or these general terms and conditions concerning warranty for quality and warranty period as the original performances on which defects in the work were removed. The new warranty period for such construction products and other materials, any performance under the preceding sentence shall run from the date of acknowledgment of removing defects in the work by the customer.

9.24 If liability of the contractor to execute the work in whole or in part is extinguished otherwise than upon fulfillment, contractor shall be responsible for defects of the performances which have been already done in the execution of the work and the customer accepted them, to the extent and under the conditions similarly as if the liability of the contractor to execute the work terminated upon fulfillment while the contractor provides for such performance warranty for quality in accordance with these general terms and conditions or the contract. The warranty period in such a case shall begin on the date the contractor's obligation to execute the work in whole or in part terminated otherwise then upon fulfillment.

9.25 In the event that the construction product or other material purchased by a contractor for the purpose of its

incorporation into the work is covered by the guarantee of quality provided by a third party, the contractor is obliged to inform the customer of any facts that may affect the validity of claims for defects in such construction product or other material, in particular it is obliged to notify the customer in writing of the date on which the warranty period expires and the contractor shall submit to the customer all documents that are needed in the case of claims by a guarantee for quality provided by a third party. The contractor authorizes the customer to exercise any claims from guarantees provided for quality of construction product or other material by third party and the acts relating thereto. For the avoidance of any doubt, guarantee for quality of the contractor relating to the work in accordance with these general terms conditions or contract shall not be affected by this section and is valid in addition to a guarantee for quality provided by third parties on the construction product or other material.

9.26 Any costs that the contractor is obliged to pay to the customer in connection with the removal of defects in the work shall mainly include costs for the identification of defects in the work, removal of defects in the work, costs associated with the collaboration of the customer and the costs of any additional testing, measurement and control which may be related with the removal of defects or after their removal and other costs necessary.

9.27 Customer is entitled to modify asserted claim for defects without the consent of the contractor if:

- a) the contractor is in delay with the removal of the claimed defects in the work, or
- b) previous procedure of the contractor gives rise to the customer's reasonable doubts about the ability of the contractor to remove claimed defect in the work in time, or
- c) the contractor within a reasonable time, still did not carry out a substantial part of the act intended to meet the customer's demand for defects.

9.28 Assertion of certain of the claims of defects by the customer shall not prejudice its claims for damages or contractual penalty nor any other claims against the contractor.

9.29 When selecting withdrawal as claims of defects, the customer shall appropriately follow Article 13 of these general terms and conditions.

## **10. The ownership and risk of damage**

10.1 Ownership to the work or to the executed part thereof shall have the customer, from the moment of the creation of the work or the executed part thereof. Ownership of the building products and other materials arranged by the contractor for the purpose of execution the work shall be transferred to the customer at the moment of their incorporation into the work.

10.2 Risk of damage to the work or part thereof, on site and off site, to the assets and property of the customer and third parties, life and health shall be borne by the contractor from taking over the site or date specified in the contract or the construction schedule on taking over the site by the contractor, according to that which of those events occurs first. The risk of damage to the work or part thereof, on site and off site, to the assets and property of the customer and third parties, life and health covers any damage howsoever arising, including damage resulting from force majeure (force majeure is obstacle occurring irrespective of the will of the parties and preventing them from fulfilling obligations unless it can be reasonably assumed that the party this obstacle or its consequences could avert or overcome and also predicted such obstacle at the time of the initial commitment. Force majeure is considered to be that event which has a direct impact on the obligations of the parties under the contract). Risk of damage to the work is transferred to the customer upon signature of record of takeover and acceptance of the work by the parties.

10.3 Risk of damage to building products and other materials, job aids, tools, site equipment or other things that the contractor ensured for the execution of the work shall be borne by the contractor. The risk of damage in the previous sentence includes any damage howsoever arising, including damage resulting from force majeure (force majeure is obstacle occurring irrespective of the will of the parties and preventing them from fulfilling obligations unless it can be reasonably assumed that the party this obstacle or its consequences could avert or overcome and also predicted such obstacle at the time of the initial commitment. Force majeure is considered to be that event which has a direct impact on the obligations of the parties under the contract).

10.4 Risk of damage to building products and other materials, job aids, instruments, site equipment or other things that the customer handed over to the contractor for the purpose of execution of the work, from their receipt and delivery to site shall be borne by the contractor, until their return to the customer or processing in the execution of the work. The risk of damage in the previous sentence includes

any damage howsoever arising, including damage resulting from force majeure (force majeure is obstacle occurring irrespective of the will of the parties and preventing them from fulfilling obligations unless it can be reasonably assumed that the party this obstacle or its consequences could avert or overcome and also predicted such obstacle at the time of the initial commitment. Force majeure is considered to be that event which has a direct impact on the obligations of the parties under the contract). In the case of destruction, loss, theft or deterioration of such property of the customer the contractor shall pay its cost to the customer, in the event of damage that can be repaired, the costs of its repair.

10.5 The contractor is liable for any damage to the work, site and off site and incurred to the customer and third parties and to construction products and other materials, job aids, tools, site equipment and other matters arising directly or indirectly in execution the work by the contractor or in the removal of defects in the work during the execution of the work or after the acceptance of the work or within the warranty period or in breach of any representations, warranties or obligations of the contractor under the contract, applicable legislation or other contractual relationship between the customer and the contractor subject to the contract, regardless of whether the execution of the work was done or representations, warranties and breach of duty by its employees, subcontractors, employees of the subcontractors or other persons. The contractor agrees that it removes any such damage by putting the damaged items to their original state or it pays compensation in full.

10.6 In the event of damage to the work, the contractor undertakes to notify the customer of the damage and preferentially, without delay, put the work in its original state.

10.7 In the event that the contractor made or made to be made production documentation or project or other documentation for the execution of the work, the ownership right shall pass to the customer on the date of its submission by the contractor to the customer, unless the parties agree otherwise. Contractor is obliged to transfer ownership of the documentation described in the previous sentence to the customer, not later than on the date of hand over of the work unless the parties agree otherwise. The remuneration for the transfer of ownership of the production documentation, project documentation or other documentation of this section shall be included in the price of the work unless the parties agree otherwise.

10.8 The customer is liable only for damages caused to the contractor upon breach of the contract, general terms and conditions or binding regulation up to a maximum of 10% (in words: ten percent) of the price of work without value added tax, unless the contract or these general terms and conditions provide otherwise. The customer shall not be liable for lost profits, loss of earnings and other indirect damages caused to the contractor in case of breach of contract, these general terms and conditions, or binding regulation by the customer.

## **11. Contractual penalties**

11.1 If the contractor is in delay with taking over the site, or the commencement of work or execution and completion of the work or hand over of the work to the customer, the contractor undertakes to pay the customer a contractual penalty of 0.1% of price of the work per day from the first up to twentieth day of delay and contractual penalty of 0.5% of price of the work per day starting twenty-first day of delay, for each started day of delay.

11.2 If the contractor defaults in the removal of defects in the work claimed by the customer during the execution of the work, defects in the work identified during the preliminary verification of the work, defects in the work identified in the procedure of hand over and acceptance of the work, defects in the work claimed by the customer upon hand over of the work under the responsibility of the contractor, defects in the work claimed by the customer during the warranty period, the contractor undertakes to pay the customer a contractual penalty amounting to = EUR 330 (in words: three hundred and thirty euros) for each defect in the work for each started day of delay with its removal.

11.3 If the contractor is in delay with vacation and hand over of a clean and safe site to the customer, the contractor undertakes to pay the customer a contractual penalty amounting to = EUR 330 (in words: three hundred and thirty euros) per each day of delay.

11.4 In the event of a breach of either of the contractor's obligations set out in Articles 16, 17 and 18 of these general terms and conditions, the contractor shall pay the customer a contractual penalty in the amount of EUR 2.000 (in words: two thousand euros) for each individual misconduct, within 7 (in words: seven) days from the date of delivery of the notice ordering the payment of penalty addressed to the contractor.

11.5 In the event of breach of duty by the contractor in accordance with section 19.1 or section 19.3 of these general terms and conditions the contractor shall pay the customer a contractual penalty in the amount of = EUR 10.000 (in words: ten thousand euros) for each violation of such an obligation, within 7 (in words: seven) days from the date of delivery of the notice ordering the payment of penalty addressed to the contractor.

11.6 The contractor agrees to pay the customer a contractual penalty amounting to = EUR 300 (in words: three hundred euros) for failing to keep the site diary and for each unrecorded day, within 7 (in words: seven) days from the date of receipt of the call of the customer for payment of penalty addressed to the contractor.

11.7 The contractor agrees to pay the customer a contractual penalty in the amount of = EUR 100 (in words: one hundred euros) in the case where the daily records in the site diary do not contain all the minimum particulars required by the general terms and conditions, for every daily record which does not have these particulars. The contractor agrees to pay such contractual penalty up to 7 (in words: seven) days from the date of delivery of the notice ordering the payment of contractual penalty addressed to the contractor.

11.8 The contractor agrees to pay the customer a contractual penalty in the amount of = EUR 5.000 (in words: five thousand euros) in case of damage, destruction or loss of the site diary, and within 7 (in words: seven) days from the date of delivery of the notice ordering the payment of contractual penalty addressed to the contractor.

11.9 The contractor agrees to pay the customer a contractual penalty amounting = EUR 200 (in words: two hundred euros) in the case where it is shown that the records in the site diary contain incorrect facts known for any one such record. The contractor agrees to pay such contractual penalty up to 7 (in words: seven) days from the date of delivery of the notice ordering the payment of penalty addressed to the contractor.

11.10 The contractor agrees to pay the customer a contractual penalty amounting to = EUR 500 (in words: five hundred euros) in the event that the customer fails to disclose the site diary to the customer, for each case of non-disclosure of the site diary. The contractor agrees to pay such contractual penalty up to 7 (in words: seven) days from the date of delivery of the notice ordering the payment of penalty addressed to the contractor.

11.11 The contractor agrees to pay the customer a contractual penalty amounting to = EUR 300 (in words: three hundred euros) in the event that the contractor fails to participate in inspections of the customer and for each such non-participating in the inspection. The contractor agrees to pay such contractual penalty up to 7 (in words: seven) days from the date of delivery of the notice ordering the payment of penalty addressed to the contractor.

11.12 The contractor agrees to pay the customer a contractual penalty in the amount of = EUR 100 (in words: one hundred euros) for any delay in notification of changes in the data. The contractor agrees to pay such contractual penalty up to 7 (in words: seven) days from the date of delivery of the notice ordering the payment of penalty addressed to the contractor.

11.13 The contractor agrees to pay the customer a contractual penalty amounting to = EUR 500 (in words: five hundred euros) per day per each day of delay in removal of the employee of the contractor or subcontractor from execution of the work upon the instruction of the customer, or per each day even started of delay with procuring removal of the subcontractor's employee or other person from execution of the work upon the instruction of the customer.

11.14 In the event that the contractor is in delay with the transfer of ownership to the product documentation or project documentation or the other documentation which it has elaborated or has made to elaborate for execution of the work within the deadline agreed by the parties, the contractor shall pay the customer a contractual penalty in the amount = EUR 100 (in words: one hundred euros) per day per each day of delay with the transfer of the ownership.

11.15 In case the contractor is in breach of any of the obligations set out in Article 14 of these general terms and conditions, the contractor undertakes to pay the customer a contractual penalty in the amount of = EUR 5.000 (in words: five thousand euros) for each such violation. The contractor agrees to pay such contractual penalty up to 7 (in words: seven) days from the date of delivery of the notice ordering the payment of penalty addressed to the contractor.

11.16 In the event that the contractor violates the obligation under section 15.1 or section 15.6 of these general terms and conditions, the contractor undertakes to pay the customer a contractual penalty in the amount of = EUR 5.000 (in words: five thousand euros) for each such violation. The contractor agrees to pay such contractual penalty up to 7 (in words: seven) days from the date of delivery of the notice

ordering the payment of penalty addressed to the contractor.

11.17 In the event that the contractor violates the obligation referred to in section 15.4 or section 15.5 of these general terms and conditions, the contractor undertakes to pay the customer a contractual penalty in the amount of = EUR 5.000 (in words: five thousand euros), for each such violation. The contractor agrees to pay such contractual penalty up to 7 (in words: seven) days from the date of delivery of the notice ordering the payment of penalty addressed to the contractor.

11.18 In case the contractor breaches any of the obligations set out in section 4.7 of these general conditions, the contractor undertakes to pay the customer a contractual penalty in the amount of = EUR 5.000 (in words: five thousand euros), for each violation. The contractor agrees to pay such contractual penalty up to 7 (in words: seven) days from the date of delivery of the notice ordering the payment of liquidated damages addressed to the contractor.

11.19 In case the contractor breaches any of the obligations set out in section 21.1 of these general terms and conditions, the contractor undertakes to pay the customer a contractual penalty in the amount of = EUR 10.000 (in words: ten thousand euros), for each violation. The contractor agrees to pay such contractual penalty up to 7 (in words: seven) days from the date of delivery of the notice ordering the payment of penalty addressed to the contractor.

11.20 In addition to the breach of the obligations of the contractor expressly mentioned in this Article, the customer shall have the right to request from the contractor a contractual penalty in the amount of = EUR 200 (in words: two hundred euros) for each individual case of breach of other obligations of the contractor to which it is bound by the contract or these general terms and conditions. The contractor agrees to pay such contractual penalty up to 7 (in words: seven) days from the date of delivery of the notice ordering the payment of penalty addressed to the contractor.

11.21 In case the contractor is in delay with the fulfillment of the obligations set out in section 7.3 of these general terms and conditions the contractor shall pay the customer a contractual penalty in the amount of = EUR 1.000 (in words: one thousand euros), for any delay in fulfilling these obligations. The contractor agrees to pay such contractual penalty up to 7 (in words: seven) days from the date of delivery of the notice ordering the payment of penalty addressed to the contractor.

11.22 In case the customer is in default with payment of the price of the work in whole or part, the customer undertakes to pay the contractor a contractual penalty of 0.05% per day from the amount of the unpaid price of the work per each day of delay.

11.23 In case the contractor is in breach of any of the obligations set out in section 25.13 or section 25.14 of these general terms and conditions, the contractor undertakes to pay the customer a contractual penalty in the amount of = EUR 50.000 (in words: fifty thousand euros) for each such violation. The contractor agrees to pay such contractual penalty up to 7 (in words: seven) days from the date of delivery of the notice ordering the payment of penalty addressed to the contractor.

11.24 The customer may set off its claim for payment of contractual penalty by the contractor against any claims of the contractor against the customer.

11.25 Agreed contractual penalty in favor of the customer shall not affect the customer's entitlement for damages which may be claimed in addition to the contractual penalty in full towards the contractor.

## **12. Withdrawal from the contract by the contractor**

12.1 The contractor may withdraw from the contract only for the reasons set out in the relevant binding legal regulations.

12.2 The withdrawal shall be made in writing and delivered to the other party. Withdrawal shall enter into legal effect on the date of receipt of the notification of withdrawal by the other party.

12.3 Withdrawal shall be without prejudice to claims for damages caused by breach of the contract, these general terms and conditions or binding legal regulation, entitlement to the payment of contractual penalties and interest on late payments, claims for reimbursement of any costs, provisions on the guarantee provided for quality and liability for defects of that part of the work which was executed at the time of withdrawal and claims arising from them, nor the contractual provisions relating to disputes resolution between the parties and other provisions which under manifested will of the parties or by their nature should continue even after the termination of the contract.

12.4 Withdrawal shall be without prejudice to claim for damages caused by breach of the obligation set forth by the contract, these general terms and conditions or binding legal regulation, entitlement to the payment of contractual penalty and interest on late payments, claim for

reimbursement of any costs, provisions on the guarantee provided for quality and liability for defects of that part of the work which was executed at the time of withdrawal and claims arising from them, nor the contractual provisions relating to disputes resolution between the parties and other provisions which under manifested will of the parties or by their nature should continue even after the termination of the contract. The contractor shall prove its claim for reimbursement of these expenses or costs, including their amounts within 1 (in words: one) month from the date of termination of the contract, otherwise the claim shall cease to exist.

### **13. Withdrawal from the contract by the customer**

13.1 The customer may withdraw from the contract or partially withdraw from the contract on the following grounds, each of which is considered a material breach of contract:

- a) if the contractor is in delay in meeting deadlines set out in the contract or in the construction schedule for more than 7 (in words: seven) days,
- b) if the contractor fails to execute the work in accordance with the contract, these general terms and conditions, the documentation for execution of the work, other annexes of the contract, customer's instructions, the relevant binding legal regulations, technical and other standards,
- c) if the contractor is in delay in removing defects in the work claimed by the customer during the execution of the work, defects found during the preliminary verification of the work, defects in the work identified in the procedure of handover and acceptance of the work, defects in the work claimed by the customer upon handover of the work under the responsibility of the contractor, defects in the work claimed by the customer during the warranty period,
- d) breach of the obligation under section 25.8 of these general terms and conditions,
- e) if the contractor breaches any other obligation than those mentioned in points a), b), c) and d) of this section imposed on it by the contract, these general terms and conditions or binding legal regulations and it was notified of this failure by the customer and harmful status arised out of breach of the obligation was not removed within 10 (in words: ten) days from notice of the customer,
- f) if insolvency proceedings has been initiated against the contractor, the contractor has been declared bankrupt, motion for bankruptcy has been filed against the contractor,

restructuring opinion has been started to be drawn up on the contractor, restructuring proceedings has been commenced against the contractor, restructuring has been authorized against the contractor or the contractor entered into liquidation. The contractor is obliged to notify the customer of this fact within 3 (in words: three) days from the date where any of these situations occurs,

g) if the conduct of the contractor or the economic situation of the contractor gives reason to fear that the contractor fails or does not fulfill its obligation arising out of the contract, these general terms and conditions or binding legal regulations,

h) if the contractor declares that it will not fulfill an obligation under the contract, these general terms and conditions or binding legal regulations,

i) if the contractor, its subcontractor or any person involved directly or indirectly in execution of the work uses a person to which one of definitions of illegal employment under Article 24 of these general terms and conditions relates with regard to the work.

13.2 The customer has the right to withdraw from the contract even in the event of termination of a contract concluded between the customer and investor whose subject is related to the work executed by the contractor under the contract. In this case, the contractor is entitled to payment of the price of the work only for the part of the work properly executed (i. e. executed works in the work till that time) as of the date of termination of the contract between the customer and the investor.

13.3 The customer has the right to withdraw from the contract in respect of the performance which has already been supplied or which has not been delayed yet if this performance is not by its nature of the economic importance to the customer without the rest of the performance.

13.4 The withdrawal shall be made in writing and delivered to the other party. Withdrawal shall enter into legal effect on the date of receipt of the notification of withdrawal by the other party.

13.5 In the event of withdrawal of the customer from the contract for a reason specified in section 13.2 of this article, the contractor is entitled to compensation for proven damages up to the amount of 3% (in words: three percent) of the price of work without value added tax. The customer is not responsible for lost profits, loss of earnings and other indirect damages caused to the contractor by reason of the withdrawal from the contract.



13.6 Withdrawal shall be without prejudice to claim for damages caused by breach of the obligation set forth by the contract, these general terms and conditions or binding legal regulation, entitlement to the payment of contractual penalty and interest on late payments, claim for reimbursement of any costs, provisions on the guarantee provided for quality and liability for defects of that part of the work which was executed at the time of withdrawal and claims arising from them, nor the contractual provisions relating to disputes resolution between the parties and other provisions which under manifested will of the parties or by their nature should survive the termination of the contract.

13.7 Parts of the work executed before withdrawal from the contract remain the property of the customer unless the customer chooses the procedure under section 13.3 of this Article.

13.8 In the event of withdrawal from the contract from the reasons set out in section 13.1. or 13.3 of this Article, the customer is entitled to ensure the execution of the work by other contractor - third party and the contractor agrees that price of such work ordered to be executed by another contractor - a third party that it did not execute at all or in full, may be increased by up to 30% (in words: thirty percent) of the price of the work agreed between the customer and the contractor and by this amount shall be reduced the price of the work of the contractor to which the contractor hereby agrees.

#### **14. Assignment of rights, obligations, claims and set-off**

14.1 The contractor shall request the consent from the customer before it transfers to third parties any claims arising under the contract which it has against the customer. Without such consent or in the case of withholding approval, the contractor is not entitled to assign to third parties any claims arising under the contract which it has against the customer.

14.2 The contractor shall not be entitled to unilaterally set off its claim against the customer with the customer's claim against the contractor.

14.3 The contractor shall request the consent from the customer before it assigns the rights and obligations arising under the contract to a third party. Without such consent or in the case of withholding approval, the contractor is not entitled to assign the rights and obligations arising under the contract to a third party.

#### **15. Subcontractors and payments to subcontractors**

15.1 The contractor shall request the consent of the customer before entrusting the execution of the work or part thereof to the subcontractor. Without such consent or in the case of withholding approval, the contractor is not entitled to entrust the execution of the work or part thereof to the subcontractor.

15.2 In the event that the contractor entrusts the execution of the work or part thereof to the subcontractor, after fulfilling the condition set out in section 15.1 of this Article, the contractor shall be responsible for the execution of the work or part thereof as if it has executed the work itself.

15.3 The parties agree that in the event that the contractor is in default with payment of the remuneration for the execution of the work or part thereof to its entrusted subcontractor, the customer shall be authorized to pay the remuneration instead of the contractor. At the date of implementation of payment of remuneration to the subcontractor by the customer instead of the contractor the claim of the subcontractor against the contractor in respect of remuneration for execution of the work or parts thereof shall cease to exist and at the same time to the same extent the claim of the contractor against the customer in respect of the unpaid price of the work under the contract shall cease to exist, it means that there is a disappearance of customer's obligation to pay the price of the work in this range. Contractor in this case is obliged to issue an invoice for the amount corresponding to the following extinguished claim for unpaid price of the work. The customer is required before execution of the payment of remuneration to the subcontractor to verify whether the subcontractor duly made the work or part thereof and to this end also request the necessary documents and obtain the consent of the subcontractor with this way of payment of its claims against the contractor.

15.4 The contractor shall ensure that the obligations and other obligations imposed by the contract, these general terms and conditions and relevant binding regulations for the contractor and its employees were observed and complied with by the subcontractors and their employees.

15.5 The contractor shall ensure that the obligations and other obligations imposed by the contract, these general terms and conditions and relevant binding regulations for the contractor and its employees, subcontractors and their employees were observed and complied with by the other persons who are directly or indirectly involved in the execution of the work.

15.6 The contractor shall request the consent from the customer before its subcontractor entrusts the execution of the work to another person. Without such consent or in the case of withholding approval, the subcontractor is not entitled to entrust the execution of the work or part thereof to another person and the contractor is obliged to provide it.

## **16. Environment and Waste Management**

16.1 In performing the contract the contractor is obliged to maintain as far as possible order and cleanliness on the site, roads and paths, crossings and other areas. The contractor shall at its own expense eliminate waste, residues of construction products and other goods and contamination from its activities with regard to the work. The contractor shall provide for the disposal of generated waste in accordance with the relevant mandatory legislation governing waste management and environmental protection and with its subcontractors it is obliged to ensure and monitor compliance with that obligation and the relevant mandatory legislation governing waste management and environmental protection. The contractor shall ensure the full prescribed documentary records in relation to waste resulting from the relevant binding legal provisions governing waste management and environmental protection. Upon request of the customer, the contractor is obliged to submit these records. If a sorted system of waste collection is in place on site and the contractor is asked to participate in this system, it is required to participate so, observe the system of sorting and storing various types of waste and contribute to the costs of the disposal of the agreed amount. Where there is any kind of waste that will be collected on site in accordance with separate collection systems established by the customer or any other person, the contractor is obliged to collect this waste and disposed of at its own expense under the relevant applicable legislation governing waste management and environmental protection.

16.2 In the case of non-fulfillment of the obligations of the contractor with regard to cleanliness on the site and access roads, this shall be ensured at the cost of the contractor the customer and all eventual fines or damages imposed on the customer in connection with the breach of this obligation by the contractor shall be paid by the contractor to the customer under the call of the customer.

16.3 The contractor undertakes that its own construction equipment will be secured against possible leakage of operating charges and running combustion engine will not be unreasonably retained. Contractor is obliged to refrain

from carrying out the maintenance and replenishment of operating charges at the site.

16.4 The contractor shall take full responsibility for environmental protection at the site and its surroundings and for the disposal of waste, resulting in the execution of the work and fully borne the subsequent possible financial penalties by the public authorities working in the field of environmental protection for non-compliance with the rules governing the management waste management and environmental protection.

16.5 The contractor is obliged to request the customer to provide a list of dangerous substances, preparations and documents related to them, especially safety data sheets with which it works on the site or on the work. The contractor is required to work with such chemical substances and preparations according to the binding regulations governing the management of chemical substances and preparations. For dangerous chemical substances and preparations, the contractor is obliged to submit documents to the customer to retrain employees of the contractor in relation to those substances and preparations with which they work, by an authorized person, before starting to work with them. In case when the employees of the subcontractor or other persons work with hazardous chemical substances and preparations, the contractor shall submit to the customer evidence of their re-training by an authorized person, before starting to work with them.

16.6 The contractor is obliged to comply with the binding regulations governing the protection of nature, landscape, environment and in the execution of the work it shall not damage trees or other vegetation around the work and/or site. Permission for felling of trees is the contractor obliged to negotiate with the competent public authority and shall comply with applicable regulations governing the conditions for felling trees.

16.7 The contractor is obliged to meet the customer's environmental policy and adhere to it. If environmental program is announced on the site and/or work which shall also apply to the contractor in fulfillment of obligations under the contract, the contractor is obliged to follow him. Contractor is obliged to become acquainted with this program before starting execution of the work.

## **17. Occupational safety and health**

17.1 The contractor is obliged to follow, when executing the work, obligations laid down by binding regulations on health

and safety at work and is obliged to ensure that its employees, subcontractors and employees of subcontractors and other persons involved, directly or indirectly, in the execution of the work, comply with those obligations. The contractor shall be responsible for injury or damage arising from any infringement or negligence under binding legislation or safety standards governing safety and health at work. In the event of violation of legislation on health and safety at work by the contractor, its employees, subcontractors and their employees and other persons involved directly or indirectly in the execution of the work, the contractor is required to remedy this situation as instructed by the customer or investor, including respect of prohibition of works for the work or removal of such persons from the site.

17.2 The contractor shall take all measures to protect the health and safety of its employees, contractors and subcontractors, employees and other persons involved directly or indirectly in execution of the work with regard to the work and shall require compliance therewith. The contractor shall designate a person on the site who will be responsible for compliance with the health and safety of its employees, subcontractors, employees, subcontractors and other persons involved directly or indirectly in the execution of the works on the site with regard to the work. This person shall be capable for this job and shall have the right to give instructions, implement security measures to prevent industrial accidents, it shall provide an employee of the contractor, subcontractors, employees of the subcontractors and other persons involved directly or indirectly in execution the work with risk of works carried out with regard to the work from the aspect of safety and health at work, highlight any hazards on the site where there is an increased risk of injury, it shall ensure health and safety at work in accordance with the relevant binding regulations relating to health and safety at work.

17.3 Responsible person of the contractor shall every occupational accident resulting in the execution of the work in accordance with section 17.2 of this Article immediately notify the customer or person designated by it so as to the customer has an immediate opportunity to take part in the investigation of the causes and circumstances of an accident at work. In the case of registered industrial accident the responsible person of the contractor is obliged within 7 (in words: seven) days from the date of an accident at work to give the customer or person designated by it a signed copy of the record of accidents at work.

17.4 The contractor shall comply or ensure compliance in fulfilling its obligations to the customer under the contract these basic safety precautions:

a) the contractor is obliged upon the call of the customer to submit documents on the training of employees of the contractor, subcontractors, employees of the subcontractor and other persons involved directly or indirectly in execution of the work prescribed by the relevant legal regulations,

b) employees of the contractor, subcontractors, employees of subcontractors and other persons involved directly or indirectly in the execution of the work are obliged to use when execution of the work, protective equipment and devices which are especially helmets and boots, reflective jackets and other protective gear set forth under relevant binding regulations relating to safety and health at work. The contractor shall provide its workers with protective equipment and tools, as well as require and control their use. The contractor shall ensure that the subcontractor provides its workers with protective equipment and aids and shall require and control their use. The obligation pursuant to the previous sentence shall the contractor have also with subcontractors and other persons involved directly or indirectly in execution of the work. Contractor is obliged to execute the work using construction products and other materials, equipment, tools, utilities and other things that are in accordance with the relevant applicable regulations, technical and other standards and possess the required revisions, inspections, checks and other necessary documents for use in accordance with the relevant binding legislation and technical and other standards. Upon customer request, the contractor is required to submit the following valid documents under the previous sentence.

c) the contractor's employees, subcontractors, employees of subcontractors and other persons involved directly or indirectly in the execution of the work are required to be tagged in a visible place of clothing or protective helmet by identification tag indicating their name and the name of the company/person to which they belong,

d) contractor's employees, subcontractors, employees of subcontractors and other persons involved directly or indirectly in the execution of the work are obliged to fulfill their duties within the scope of the instructions of the customer and hazard analysis, threats and risk identification to ensure health and safety at work and fire protection,

e) the contractor shall before commencement of execution of the work become acquainted with the security and equipment on the site and with the requirements of health

and safety at work contained in the project documentation for the work and/or construction and other documents,

f) the contractor prior to commencement of execution of the work shall undertake the acquaintance with the potential threats to the health of employees of the contractor, subcontractors, employees of the subcontractors and other persons involved directly or indirectly in execution of the work and the evaluation of risks and preventive and protective measures for employees of the customer,

g) site and separate areas of work must be fenced and secured in accordance with the relevant laws and regulations on safety and health at work or with further instructions of the customer,

h) employees of the contractor, subcontractors, employees of a subcontractors and other persons involved directly or indirectly in the execution of the work may reside only on those workplaces and areas where they fulfill their duties and where they were instructed on safety and the possibility of injury. To enter the workplace, toilets and similar spaces only communications designated to them may be used for this purpose.

17.5 The contractor shall take all measures to prevent unlawful or otherwise improper behavior of employees of the contractor, its subcontractors, employees, subcontractors and other persons involved directly or indirectly in the execution of the work and to maintain order on the site and its surroundings and to protect property and life and people's health.

17.6 The contractor shall provide for the prohibition of the use of alcohol, drugs and other psychotropic substances on the site, bringing these drinks and substances on the site, as well as entrance to the site under their influence from the part of its employees, subcontractors, employees of subcontractors and other persons involved directly or indirectly in execution of the work. Violation of the ban will be detected through breath or other tests needed to detect these agents to which the persons mentioned in the previous sentence are required to submit and what the contractor is obliged to provide. In case of a positive test or refusal to test (refusal will be considered as positive test result), those persons shall be banished from the site and they no longer shall work in the execution of the work. Responsible persons of the customer are authorized to request and execute breath testing and during their absence, their designated representative, other necessary tests will be conducted in collaboration with health facilities.

17.7 The contractor shall, upon the instruction of the customer, withdraw from execution of the work its employees, subcontractors or arrange a withdrawal of the employee of the subcontractor or other person involved directly or indirectly in execution of the work that is under the influence of alcohol or narcotics and psychotropic substances, within 3 (in words: three) days from the date of granting of the order and shall promptly replace or provide replacement of such other person.

17.8 The contractor shall not allow any of his employees, subcontractors, employees of the subcontractor or other person involved directly or indirectly in execution of the work to have a temporary or permanent housing on the site.

17.9 The contractor shall ensure that employees of the contractor, subcontractors, employees of the subcontractors and other persons involved directly or indirectly in execution of the work carrying out work at heights and over free depth of the section in the area of collective lock and partly outside it, had during all the time on the hull fitted a safety device connecting line and a safety brake. The contractor shall further ensure that employees of the contractor, subcontractors, employees of the subcontractor and other persons involved directly or indirectly in the execution of the work, were, as appropriate, ensured when carrying out the works for the work where there is a danger of falling from a height or depth at the workplace without collective lock.

## **18. Fire protection**

18.1 The rights and obligations of the parties in the field of fire protection and prevention shall be governed by the applicable legislation and standards.

18.2 The contractor shall ensure that its employees, subcontractors, employees of subcontractors and other persons involved directly or indirectly in execution of the work comply with the instructions of the customer and be subjected to the action of the control authorities of the customer and public authority in the field of fire protection and fire prevention under binding regulations and internal regulations of the customer for the performance of control activities with regard to the work. The powers of the supervisory authority of the customer shall have the technician of health and safety at work and fire protection, product and project managers.

18.3 Obligations of the contractor shall be:

a) to respect the principles of fire protection and fire prevention, fulfill and comply with regulations and technical standards related to fire protection and fire prevention,

b) to set forth the fire precautions and require provision of fire protection with regard to the execution of the work and in objects with increased fire danger in relation to employees of the contractor, subcontractors, employees of subcontractors and other persons involved directly or indirectly in execution of the work,

c) to ensure that employees, subcontractors and their employees and other persons involved directly or indirectly in execution of the work were before entering the site and before the commencement of execution of the work re-trained on fire protection in accordance with the relevant binding legislation relating to fire protection and fire prevention and according to the current fire project,

d) to adhere to, when execution of the work, that all firefight work were provided (fire extinguishers, escape routes, fire control) and in areas with increased fire danger to arrange permission for this work,

e) to submit to the customer a written report of every established fire at the site or work. This obligation does not relieve the contractor's obligation to report a fire to the Fire Department and other relevant public authorities,

f) to carry out work on the site or work in compliance with binding legislation regarding fire protection and fire prevention,

g) to ensure the subsequent supervision after finishing work with open fire and termination of other work with an increased risk of fire in accordance with the requirements of legislation and technical and other standards related to fire protection and fire prevention, relating to the implementation work.

## 19. Confidentiality

19.1 The parties shall during the term of the contractual relationship established by the contract and the next 5 (in words: five) years after its termination, not to disclose confidential information except where this information will be required by a court or other competent public authority. For the avoidance of any doubt, the customer is not obliged to keep confidential matters relating to work, licensing (permission) under section 20.1 of these general terms and conditions, licensing (permission) by other right holders in accordance with section 20.7 of these general terms and conditions or the facts related with another permissible use

of rights of other holders pursuant to section 20.7 of these general terms and conditions.

19.2 Confidential information shall mean any information of any kind, including information of business (in particular the facts that constitute a trade secret), technical and other nature concerning the parties, contract as well as any other information obtained either before or after the signing of the contract which the party obtains during oral proceedings or through other means of communication.

19.3 The parties shall protect confidential information such as their own, use them only in connection with the performance of the contract, not to abuse them and not to disclose them to third parties. As third parties shall not be considered members of the party bodies, auditors, legal advisors who are in relation to information disclosed to them bound by professional confidentiality under the applicable legislation.

19.4 The parties shall ensure that the disclosure of confidential information is reserved only for those employees, subcontractors and their employees and other persons who are directly or indirectly involved in the execution of the work that they in relation to their job description have to know, and that these people were bound by the confidentiality duty to the extent under section 19.1 of this Article in conjunction with sections 19.2 and 19.3 of this Article.

19.5 The obligation to not disclose confidential information in accordance with section 19.1 of this Article shall not apply to:

a) the information that the parties had before starting to negotiate the conclusion of the contract and which also are not subject to the confidentiality obligation under the contract,

b) information that is generally known or hereafter become known through the publication of one of the parties in accordance with the contract,

c) cases of providing confidential information to persons mentioned in the exemption referred to in section 19.3 of this Article, related parties of the parties, banks providing financing, if such a person assumes the duty of confidentiality to the extent in accordance with section 19.1 of this Article in conjunction with sections 19.2 and 19.3 of this Article,

d) cases of providing confidential information to potential investors, if that person assumes the duty of confidentiality

to the extent in accordance with section 19.1 of this Article in conjunction with sections 19.2 and 19.3 of this Article.

19.6 The contractor is further obliged to keep confidential all matters relating to the work, even after the termination of the contract.

## 20. Intellectual property rights

20.1 To the extent that they will be the subject of intellectual property rights, the contractor shall award by signing the contract to the customer exclusive, irrevocable, factual, temporal and territorially unlimited license (consent) to use the results of activities of the contractor under the contract and production documentation, project documentation, or other document drawn up or made to draw up by the contractor or for the execution of the work, either as a whole or in separate parts, in any manner and for any possible purpose under the contract, these general terms and conditions, other annexes to the contract and relevant legislation, with the right to grant to a third party sublicense to the same extent and under the same conditions to all or only to some of the rights under the license (permission).

20.2 Exclusive license (consent) means that the contractor is obliged to refrain from granting such a license (permission) or other license (permission) to any third party, and it is obliged to refrain from using the results of its activities under the contract and production documentation, project documentation or other documentation drawn up or made to draw up by the contractor or for the execution of the work, in the manner for which it granted the license (consent), or a method, for which it did not grant the license (consent).

20.3 License (consent) under section 20.1 of these general terms and conditions shall include the following uses of the results of activities of the contractor under the contract and production documentation, project documentation and other documentation drawn up or made to draw up by the contractor or for the execution of the work:

- their use in any way that is possible according to the current state of knowledge of human science and technology at the time of conclusion of the contract,
- their use in any manner for the purpose specified in the contract and the purpose for which it is commonly used,
- their use for any commercial and business activities, especially offering and selling them to others, carrying out their management, maintenance and repairs, alterations, modifications and dismantling,

- their registration under the trade name of the customer or any other, as the right of the customer,
- preparation of copies thereof,
- public dissemination of the original or a copy thereof by a sale or other form of transfer of ownership or otherwise,
- public dissemination of the original or copy thereof by lease or lending or otherwise,
- processing, translate, make any changes or modifications including their elimination, adapting,
- their inclusion in the collected works,
- their public display anywhere,
- their public performance and performance anywhere,
- execution of their communication to the public in any way, anywhere,
- their association with other works.

20.4 Customer as licensee under section 20.1 of these general terms and conditions is not obliged to use the license (consent).

20.5 License (consent) under section 20.1 of these general terms and conditions in the event of dissolution of the customer shall be transferred to its legal successor.

20.6 By signing the contract the contractor grants the customer consent to grant sublicenses under section 20.1 of these general terms and conditions to any third party. By signing the contract the contractor grants the customer consent to an assignment of the license (permission) under section 20.1 of these general terms and conditions to any third party. In cases where any of the contractor's consents under this section becomes for any reason invalid, ineffective, or is considered to be refused, the contractor is obliged, within three days from the request by the customer, grant it to the customer in writing.

20.7 To the extent to which the contractor is not entitled to grant the license (consent) under section 20.1 of these general terms and conditions, the contractor shall ensure that the license (consent) will be awarded to the customer by holders of the relevant intellectual property rights or the customer shall be allowed to use these rights otherwise lawfully.

20.8 Any costs or fees associated with the grant of a license (permission) to the customer in accordance with section 20.1 of these general terms and conditions and/or with

ensuring the grant of a license (permission) to the customer by the holders of the relevant intellectual property rights or ensuring capability of their use by the customer otherwise lawfully in accordance with section 20.7 these general terms and conditions shall be included in the price of the work.

20.9 In the event that the contractor breaches any of the obligations set out in sections 19.6, 20.2, 20.6 and 20.7 of these general terms and conditions the contractor shall pay the customer a contractual penalty in the amount of = EUR 10.000 (in words: ten thousand euros) and for each breach of duty. The contractor agrees to pay such contractual penalty up to 7 (in words: seven) days from the date of delivery of the notice ordering the payment of penalty addressed to the contractor. Agreed contractual penalty in favor of the customer shall not affect the customer's entitlement for compensation which may be claimed in addition to the contractual penalty in full against the contractor.

## **21. Insurance**

21.1 The contractor is obliged before starting execution of the work to take out insurance with the person providing insurance services (hereinafter "insurance company"), so that by taking over of the site by the contractor, the contractor hands over the certificate of insurance issued by a competent contractor's insurance company. Insurance contract shall cover the site, work, execution of the work by the contractor and subcontractors and other persons participating, directly or indirectly, in the execution of the work and their employees, building products and other materials, any performance, site equipment and other things, for the persons involved in the execution of the work, especially the contractor, its employees, subcontractors and their employees and other persons who are directly or indirectly involved in the execution of the work and their employees. The contractor shall maintain the insurance policy in force and effect for the entire period of execution of the work. The insurance policy shall cover all risks, in particular any damages that may arise on the site, works for execution of the works by contractor and subcontractors and their employees and other persons participating directly or indirectly in the execution of the work, for construction products and other materials and any other performances, site equipment and other things, property of the customer and others and the life and health of any person.

21.2 The parties may agree in the contract to deviate from point 21.1 of this Article and negotiate a different range of insurance.

21.3 Contractor is obliged to conclude insurance policy in accordance with section 21.1 of this Article or an insurance policy in accordance with section 21.2 of this Article with a company with insurance claims previously approved by the customer.

## **22. Representatives of the parties**

22.1 List of responsible persons of the parties authorized to act in matters relating to performance of the contract, especially in matters of execution of the work and matters of technical, is annexed to the contract, and such persons are shown directly in the header of the contract.

22.2 Except for persons authorized to act on behalf of the parties (in particular the statutory authorities of the parties) other representatives of the parties may be determined for the customer and the contractor that shall be authorized to negotiate on matters of technical, financial and other which are related to the execution of the work.

22.3 At the request of the customer, the contractor is obliged to appoint a responsible person of the contractor if it does not produce sufficient interaction and this may have the effect on impeding during the execution of the work. This provision shall not apply in the case where that person justifies its absence from the negotiations with one-day advance. The customer has the right to request the deployment of another responsible competent person of the contractor who is competent and authorized particularly in the case of absence of the contractor in such discussion which would cause difficulties to the management of structure or work, coordination of other contractors, subcontractors and other persons involved directly or indirectly in the execution of the work. Such a request the contractor shall not be entitled to refuse.

22.4 Change of any of the representatives of the parties or persons responsible shall not require change of the contract. Party, for which a representative or responsible person is in question, however, is obliged to notify forthwith of such change the other party through an entry in the site diary and afterwards confirm it by written notice to the address of the party for the service of documents. The change is effective against the party upon delivery of written notification to the other party.

## **23. Delivery**

23.1 The documents relating to the contract may be delivered in person, by mail or by electronic mail (e-mail). Contract or these general terms and conditions shall determine which documents and in which manner are to be

delivered. If the contract or these general terms and conditions do not describe the service of documents, it is understood that these documents may be served personally or by mail.

23.2 As the address for service of documents shall be deemed address specified in the contract, these general terms and conditions or address that party after conclusion of the contract notifies in writing to the other party.

23.3 Documents served by post are to be sent by registered mail.

23.4 The parties undertake to confirm acceptance of a document delivered by hand by one of the parties in writing.

23.5 A document delivered by electronic mail (e-mail) shall be considered delivered on the date of its delivery to the party to which it was addressed.

23.6 Unless otherwise provided by the contract, the document of one of the parties is deemed to be delivered to the other party at the moment when the other party refuses the acceptance of the document or otherwise intentionally prevents its delivery or where the holder of the postal license returns a document sent to the address of the party designated for service of documents to the party being a sender of that document, as undelivered for any reason.

## **24. Illegal employment**

24.1 Illegal employment is the employment by a legal entity or natural person who is entrepreneur using dependent work (i. e. work performed in relation of superiority of employer and subordination of employee, by employee for employer, under instructions of employer, in its name during working hours determined by employer):

a) of a natural person and has not based employment relationship or civil service with it in accordance with the relevant binding legislation governing employment relationships or civil service relationships,

b) of a natural person and has based employment relationship or civil service with it in accordance with the relevant binding legislation governing employment relationships or civil service relationships and failed in its obligation to log the natural person in the register of policyholders and savers' pension savings to the competent authority for statutory deductions (sickness insurance, unemployment insurance, accident insurance, guarantee insurance, pension insurance (old-age and disability), or a different kind of insurance or savings) governed by the law,

c) of a national of a country which is not a Member State of the European Union, other party state to the Contract on the European Economic Area or Swiss Confederation or a stateless person (hereinafter "third countries") and the conditions for his/her employment under the relevant legislation are not met.

24.2 Illegal employment is the employment of third-country national who is staying in the territory, where the work shall be executed, in violation of the relevant legal provision governing the stay of foreigners and asylum, and who is engaged in paid work.

24.3 Sections 24.1 and 24.2 of this Article are to set out the definition of illegal employment which is binding for the contractor and the customer. The special law governing illegal employment may provide for a definition of illegal employment which takes precedence over those mentioned in sections 24.1 and 24.2 of this Article and which is equally binding on the contractor and the customer.

24.4 The contractor is obliged to observe the prohibition which consists in the fact that it shall not for execution of the work use the person covered by the definition of illegal employment specified in sections 24.1 and 24.2 of this Article or referred to in the relevant law governing illegal employment.

24.5 The contractor shall ensure that its subcontractor does not use the person who meets the definition of illegal employment contained in sections 24.1 and 24.2 of this Article or specified in the relevant binding legal regulations governing illegal employment for the execution of the work that is to be performed by the contractor for the customer under contract and which was then entrusted by the contractor to be performed by the subcontractor. The contractor shall likewise ensure that no other person involved in the execution of the work directly or indirectly use a person who meets the definition of illegal employment contained in sections 24.1 and 24.2 of this Article or specified in the relevant binding legal regulations governing illegal employment for execution of the work that is to be performed by the contractor for the customer.

24.6 Contractor's obligations shall be:

a) the contractor shall submit to the customer a list of employees of the contractor who will participate in the execution of the work. The list shall contain any personal information as name, address, birth date, social security number, social security identification number, number of identity document. The list shall additionally contain a



statement of the contractor's employees that all information given is true and consent to the processing of those data under the relevant legislation governing the protection of personal data and shall be signed by them. In the case of persons who will participate in the execution of the work, but will not be included in the list of employees under this section, the contractor shall submit to the customer an affidavit stating that these persons are related to it in a legal relationship other than the employment relationship, specifying the legal relationship in which that person is to it, declares in it that it does not infringe with them an obligation of ban of illegal employment in accordance with section 24.4 of these general terms and conditions, and affidavit shall be signed by a person authorized to act on behalf of the contractor and the signature shall be officially certified. Contractor is obliged to give truthful information in the affidavit pursuant to the previous sentence. In case the data referred to in the affidavit prove to be false, the contractor shall pay the customer a contractual penalty amounting to = EUR 200.000 (in words: two hundred thousand euros) for each omission of true information in the affidavit,

b) the contractor shall submit documents to the customer (especially contracts) showing that employees of the contractor in the list in letter a) of this section are related to the contractor, in employment, civil service or other similar relationship,

c) the contractor shall submit to the customer a proof of residence or other residence authorization in the event that an employee of the contractor listed, under point a) of this section, is a third-country national and / or needs permission to stay in the country where the work is executed,

d) the contractor shall provide the customer with documents issued by the competent authorities (in particular the certificate) proving that an employee of the contractor listed, under point a) of this section is logged on to the mandatory health and social security established by the relevant applicable regulations (particularly health insurance, unemployment insurance, accident insurance, guarantee insurance, pension insurance (old-age and disability), or a different kind of insurance or savings). In cases where the relevant mandatory legislation does not set forth obligation for the contractor under the preceding sentence it shall provide the customer with affidavit of this fact with certified signature of the person authorized to act on behalf of the contractor, stating the reasons for which it does not have this obligation and employees of the contractor in respect of which it has no such obligation.

e) in case the contractor executes the work through a subcontractor or the work or part thereof is directly or indirectly through executed by another person, the contractor is liable to the subcontractor and such other persons to require the documents referred to in a), b) c) d) of this point in relation to their employees and give them the customer.

24.7 The contractor shall submit to the customer the documents referred to in section 24.6 of this Article, at least 10 (in words: ten) days prior to the execution of the work.

24.8 In the event that the contractor does not provide documents referred to in section 24.6 of this Article within the time limit under section 24.7 of this Article, the persons to which those documents relate shall not be allowed to entry to the site and participate in the execution of the work.

24.9 Handing over the documents referred to in section 24.6 of this Article by the contractor to the customer in accordance with section 24.7 of this Article shall not relieve the contractor's responsibilities and obligations under this Article in respect of illegal employment or by applicable binding law governing illegal employment, as well as the responsibilities and obligations shall not pass to the customer.

24.10 In case the customer on the basis of the documents submitted in accordance with section 24.6 has doubts about the person to whom the documents relate, it shall have the right to require the contractor to replace this person by another person and the contractor shall comply with this request. The customer is in this case entitled not to allow such a person to execute the activities for which the contractor undertook by the contract concluded between the contractor and the customer. Contractor in this case is obliged to notify that person and withdraw it from activities carried out for the customer and replace it with another. The contractor shall before replacement of the person submit the documents in accordance with section 24.6 of this Article to the customer for review.

24.11 Infringement under section 24.7 of this Article and section 24.10 of this Article is an obstacle on the part of the contractor and any delays that arise in connection with compliance with those obligations shall be under the sole responsibility of the contractor. Similarly, in the case of an exchange referred to in Section 24.10 of this Article the contractor shall be solely responsible for any delay.

24.12 In case there is a breach of the contractor's obligations referred to in section 24.4 or 24.5 of this Article, the

contractor shall pay the customer a contractual penalty amounting to = EUR 200.000 (in words: two hundred thousand euros), for each such violation. This arrangement of the contractual penalty shall not affect the customer's claim for damages which the customer can claim in addition to a contractual penalty to the full amount against the contractor. Customer is entitled to set off any claim arising from contractual penalty against any claim of the customer towards the contractor.

24.13 In the case where, in connection with the breach of an obligation under this Article by the contractor or in connection with the breach of provisions of the relevant legislation governing illegal employment of the contractor or its subcontractors, or other person who is directly or indirectly involved in the execution of the work any sanction was imposed (in particular the obligation to pay a fine, damages, pecuniary penalty, any costs, wages, taxes, insurance premiums or other sanction) on the customer, the contractor undertakes to pay instead of the customer. In case the contractor fails to pay the sanction in accordance with the previous sentence, the contractor undertakes to pay to the customer a contractual penalty in the amount of = EUR 1.000 (in words: one thousand euros) per day for each started day of delay in fulfillment of this obligation. This arrangement of the contractual penalty shall not affect the customer's claim for damages, which the customer can claim in addition to a contractual penalty in the full amount against the contractor.

24.14 In the case where, in connection with the breach of an obligation under this Article by the contractor or in connection with the breach of provisions of the relevant legislation governing illegal employment of the contractor or its subcontractors, or other person who is directly or indirectly involved in the execution of the work any sanction was imposed (in particular the obligation to pay a fine, damages, pecuniary penalty, any costs, wages, taxes, insurance premiums or other sanction) on the customer or any sanction (in particular the obligation to pay a fine, damages, pecuniary penalty, any costs, wages, taxes, insurance premiums or other sanction) passed to the customer which was imposed on the contractor or its subcontractors or other person directly or indirectly involved in the execution of the work for the customer, the customer is entitled to set off its claims with any claims of the contractor towards the customer.

24.15 The contractor undertakes to provide maximum cooperation in cases where the public authority inspected the customer in connection with illegal employment and at

the request of the customer to submit within 3 (in words: three) days the necessary documents and written explanations necessary or perform other action. In case of violation of the obligation under the preceding sentence, the contractor agrees to pay the customer a contractual penalty in the amount of = EUR 3.000 (in words: three thousand euros) a day per each day of delay with the fulfillment of this obligation. This arrangement is without prejudice to the customer's claim for damages which the customer can claim in addition to a contractual penalty in the full amount against the contractor. Customer is entitled to set off any claim arising from contractual penalty with any claims of the contractor towards the customer.

## **25. Further obligations**

25.1 The contractor shall refrain from any action that creates damage or other harm to the customer. In case of breach by the contractor under the preceding sentence, the contractor shall pay the customer a contractual penalty amounting to = EUR 200.000 (in words: two hundred thousand euros) for each breach of this obligation. This arrangement of the contractual penalty shall not affect the customer's claim for damages which the customer can claim in addition to a contractual penalty in the full amount against the contractor. Customer is entitled to set off any claim arising from contractual penalty with any claims of the contractor towards the customer.

25.2 The contractor shall ensure that the subcontractor or any other person involved directly or indirectly in execution of the work refrain from any action that creates damage or other harm to the customer. In case of breach by the contractor under the preceding sentence, the contractor shall pay the customer a contractual penalty amounting to = EUR 200.000 (in words: two hundred thousand euros) for each breach of this obligation. This arrangement of the contractual penalty shall not affect the customer's claim for damages which the customer can claim in addition to a contractual penalty in the full amount against the contractor. Customer is entitled to set off any claim arising from contractual penalty with any claims of the contractor towards the customer.

25.3 In the event any sanction (in particular the obligation to pay a fine, damages, pecuniary penalty, any costs, wages, taxes, insurance premiums or other sanction) is imposed on the customer by the public authority because of the failure by the contractor or its subcontractors, or other person involved directly or indirectly in the execution of the work under the contract, these general terms and conditions, legislation or because of other action of the contractor, the

subcontractor or other person involved directly or indirectly in the execution of the work, the contractor is obliged to pay the penalty instead of the customer within 3 (in words: three) days from the call of the customer to pay a penalty. In case the contractor fails to pay the penalty in accordance with the previous sentence, the contractor undertakes to the customer to pay a contractual penalty in the amount of = EUR 1.000 (in words: one thousand euros) per day for each started day of delay in fulfillment of this obligation. This arrangement of the contractual penalty shall not affect the customer's claim for damages which the customer can claim in addition to a contractual penalty in the full amount against the contractor.

25.4 In the event any sanctions (in particular the obligation to pay a fine, damages, pecuniary penalty, any costs, wages, taxes, insurance premiums or other sanction) were imposed on the customer by the public authority because of the failure by the contractor or its subcontractors, or other person involved directly or indirectly in the execution of the work under the contract, these general terms and conditions, legislation or because of other action of the contractor, the subcontractor or other person involved directly or indirectly in the execution of the work or any sanction (notably the obligation pay a fine, damages, pecuniary penalty, any costs, wages, taxes, insurance premiums or other sanction) is transferred which was originally imposed on the contractor, its subcontractors or other persons involved directly or indirectly in the execution of the work by a public authority to the customer, the customer is entitled to unilaterally set off any claims of the contractor owed towards the customer.

25.5 The contractor undertakes to provide maximum cooperation in cases where the public authority inspected the customer in connection with illegal employment and at the request of the customer to submit within 3 (in words: three) days the necessary documents and written explanations necessary or perform other action. In case of violation of the obligation under the preceding sentence, the contractor agrees to pay the customer a contractual penalty in the amount of = EUR 3.000 (in words: three thousand euros) a day per each day of delay with the fulfillment of this obligation. This arrangement is without prejudice to the customer's claim for damages which the customer can claim in addition to a contractual penalty in the full amount against the contractor. Customer is entitled to set off any claim arising from contractual penalty with any claims of the contractor towards the customer.

25.6 The customer is entitled to set off any claim due or undue against the contractor against any claim of the contractor due or undue which it has against the customer.

25.7 The contractor undertakes to provide maximum cooperation in cases where the customer requests so within 3 (in words: three) days from the request. In case of violation of the obligation under the preceding sentence, the contractor agrees to pay the customer a contractual penalty in the amount of = EUR 3.000 (in words: three thousand euros) a day per each day of delay with the fulfillment of this obligation. This arrangement is without prejudice to the customer's claim for damages which the customer can claim in addition to a contractual penalty in the full amount against the contractor. Customer is entitled to set off any claim arising from contractual penalty with any claims of the contractor towards the customer.

25.8 The contractor shall not without the prior written consent deal directly with the investor or higher contractor of the work, especially it is not entitled to negotiate on price matters. Violation of this arrangement is considered a fundamental breach of contract.

25.9 The parties agree that they inform each other of any changes to the parties, especially the change of name, seat, legal form, statutory representatives and manner in which they act for the company, bank and account number within 5 (in words: five) days from the date when the change occurs.

25.10 The contractor is required to prevent damage to property, life and health of the customer or third parties. It is also obliged to ensure that its subcontractor and any other person involved directly or indirectly in execution of the work prevent causing damage to property, life and health of the customer or third parties.

25.11 The customer may at any time during the execution of the work to enter the site to inspect the execution of the work and compliance with applicable legal regulations in the execution. The customer shall give advance notice to the contractor on term of inspection. Contractor is obliged to take part in such inspections.

25.12 To eliminate any doubt the parties explicitly state that any endorsement or approval by the customer shall not relieve the contractor from any liability for defects, damage, delay and other factors and there shall not be even a devolution of responsibility to the customer.

25.13 The contractor undertakes that, during the duration of the contract and two years after its termination, it will not

enter into a contractual relationship with the investor (customer's client) for whom the work is intended, the subject of which would be activities identical or similar to the contractor's activities under the contract or to the customer's business objects, namely in relation to the territories of Slovakia, the Czech Republic, Hungary, Romania, Serbia, Germany, and other countries of Europe and the world. The reward for complying with this obligation is included in the price of the work.

25.14 The contractor undertakes that, during the duration of the contract and two years after its termination, it will not mediate, assist, or otherwise contribute to the conclusion of a contractual relationship between a third party and the investor (customer's client) for whom the work is intended, the subject of which would be activities identical or similar to contractor's activities under the contract, or to the customer's business objects, namely in relation to the territories of Slovakia, the Czech Republic, Hungary, Romania, Serbia, Germany, and other countries of Europe and the world. The reward for complying with this obligation is included in the price of the work.

## 26. Personal data protection

26.1 The Customer is aware of the fact that when performing the contract they may come into contact with the Contractor's personal data if it is a natural person and personal data of the natural persons acting under the Contractor, especially but not exclusively with its employees, subcontractors and their employees, contracting partners and their employees, and other persons. Processing of the personal data of these natural persons will take place exclusively in accordance with Regulation of the European Parliament and of the Council No. 2016/679 of 7 April 2016 on the protection of physical persons with regard to processing of personal data and on free movement of such data, repealing the Directive 95/46/EC (General Data Protection Regulation) (hereinafter referred to as the "GDPR Regulation") and national regulations

26.2 Article 6 (1) (b) of the GDPR Regulation represents the legal basis for processing of personal data by the Customer in the case of a Contractor who is a natural person. In the case of the other natural persons referred to in point 26.1 of the General Business Terms and Conditions, Article 6 (1) (f) of the GDPR Regulation represents the legal basis for processing of personal data by the customer and therefore processing of personal data is necessary for the purposes of legitimate interests pursued by the Customer. The legitimate interests pursued by the Customer are:

- (a) the proper performance of the contract and the rights and obligations arising from the contract,
- (b) the proper performance of the contractual relationship with subcontractors or clients of the Customer,
- c) archiving,
- d) fulfillment of the obligation arising from a generally binding legal regulation,
- (e) the exercise of a potential Customer's claim in a court or arbitral tribunal or defense against the claim of another entity,
- (f) defending the Customer's right before public authority body or providing a proper cooperation to the public authority body on the part of the Customer.

26.3 The Customer provides the Contractor with the following information:

- (a) the Customer processes the personal data of natural persons in a lawful manner in order to protect the legitimate interests that it pursues in order to avoid any violation of any rights of natural persons.
- b) the Customer ID data are in addition to the contract, point 1.2 of these General Business Terms and Conditions available at [www.pyronova.com](http://www.pyronova.com) in the contact section, also available in the public register where the Customer is registered as a legal entity.
- c) Customer contact details are always available at [www.pyronova.com](http://www.pyronova.com) in the contact section.
- d) The personal data of natural persons are always processed solely for the purpose of proper performing the contract and the rights and obligations arising from the contract, the proper performance of the contractual relationship with the subcontractors or clients of the Customer, the archiving, the fulfillment of any obligation under generally binding legal regulation, applying any possible Customer's claim at a court or arbitral tribunal or defense against another's claim, defending the Customer's right before the public authority body or the provision of proper cooperation to public authority bodies on the part of the Customer.
- e) The legal basis for processing of the personal data of the Contractor who is a natural person by the Customer is set out in Article 6(1)(b) of the GDPR Regulation. The legal basis for processing of personal data of other natural persons acting under the Contractor is stated in the second and

third sentence of point 26.2 of these General Business Terms and Conditions.

f) The personal data of the natural persons processed by the Customer are: title, name, surname, date of birth, job classification, service classification, job description, place of work, telephone number, fax number, e-mail address of the workplace and identification data of a person under which he/she is acting (such as an employer).

(g) The Customer assures that it does not provide the personal data of natural persons to any other entity with the exception of the following recipients, such as the Customer's external co-operators, such as legal, tax and accounting advisors, auditors, Customer's subcontractors, Customer's clients, courts and other public authority bodies, but always only for legitimate interests.

h) Personal data of natural persons will be kept by the Customer during the term of the contract and namely 10 (in words: ten) years after the termination of the contract. Subsequently, their disposal will be secured.

(i) Any natural person whose data is processed by the Customer has the following rights: 1) the right of access to personal data under Article 15 of the GDPR Regulation, 2) the right to correct the personal data under Article 16 of the GDPR Regulation, 3) the right to delete the personal data under Article 17 of the GDPR Regulation, 4) the right to limit the processing of personal data under Article 18 of the GDPR, 5) the right to transfer the personal data under Article 20 of the GDPR Regulation, 6) the right to object to the processing of personal data under Article 21 of the GDPR Regulation, 7) the right to lodge a complaint to the supervisory body under Article 77 of the GDPR Regulation. The conditions for the exercise of these rights are detailed in the individual articles of the GDPR Regulation referred to in the previous sentence.

j) The proceedings under contract or in connection with it by the Contractor and the persons acting under him represents the source of personal data of natural persons.

26.4 In the event that physical persons are acting under the Contractor under the contract, the Contractor is obliged to inform them before their handling with the information specified in point 26.3 of these General Business Terms and Conditions, with the exception of the first sentence of letter e) point 26.3 of the General Business Terms and Conditions. If he does not fulfill the obligation under the previous sentence, he is obliged to immediately contact the

Customer so that he is able to provide the information to these natural persons.

## **27 Final provisions**

27.1 In the event that any provision of a contract or these general terms and conditions is or for whatever reason becomes invalid, ineffective or unenforceable (obsolete) it has not and even that will not result in the invalidity, ineffectiveness or unenforceability of other provisions of the contract and of these general terms and conditions. Parties shall replace in writing the void, ineffective or unenforceable provision by another provision factual content of which is identical or the most similar to provisions being replaced, and the purpose and meaning of the contract and these general terms and conditions shall be maintained. By the time until the parties reach an agreement and in the event that they do not agree upon this at all, in order to replace the invalid, ineffective or unenforceable provisions other provisions of the contract and these general terms and conditions shall apply, and failing that, the provisions of the relevant binding legislation and provisions that meet the criteria of the previous sentence.

27.2 Amendments to the contract may be made only by written agreement of the parties forming of an addition to it which will be signed by the person authorized to act on behalf of the parties.

27.3 The contract, including these general terms and conditions shall be governed by the law of the country where customer has its registered office and to hear and determine any possible disputes arising from the contract, including these general terms and conditions or with the contract, including these general terms and conditions courts of the country in which customer has its registered office shall have the jurisdiction.

27.4 The contract shall arise and shall enter into force on the day of its signing by both parties. The provisions of these general terms and conditions as of such date shall become an integral part of the contract if there is reference to those terms and conditions.

27.5 Upon this signature the contractor confirms that it knows the following key provisions of these general terms and conditions, that it understands the meaning of all these provisions and expressly accepts them: (a) penalties provided for in Article 11 of these general terms and conditions, (b) penalties provided for in Article 20 of general terms and conditions, (c) license (consent) specified in section 20.1 of these general terms and conditions, (d) the

consents referred to in section 20.6 of these general terms and conditions, (e) the penalties set out in Article 24 of these general terms and conditions, (f) contractual penalties provided for in Article 25 of these general terms and conditions.