



General Terms and Conditions Regulating Contracts of Purchase and Contracts for Work of Companies of the E.ON Czech Group

This document has been executed in Czech and in English. In case of any dispute the Czech version will prevail.

State: 10/2017

1. Validity of the Customer's Terms and Conditions

iv. The present VNP.

- 1.1 The present General Terms and Conditions of Purchase (hereinafter referred to as "VNP") regulate relations between E.ON Česká republika, s.r.o. and any other company which is, with regard to E.ON Česká republika, s.r.o., the controlling entity or an entity controlled by the same controlling entity as E.ON Česká republika, s.r.o., within the meaning of the Act no. 90/2012 Coll., (Business Corporations Act) (hereinafter referred to as "the Client, the Customer or the Purchaser") on the one side and the Contractor, the Provider or the Supplier or the Seller (hereinafter referred to as "the Provider") on the other side, arising between these entities during and in connection with conclusion of a Contract of Purchase, Contract for Work, Contract on Provision of Services or agreements similar to such contracts (hereinafter referred to as "the Contract"), if the Parties are made familiar with them and declare them as a part of the Contract. The Provider and the Customer undertake, while fulfilling the Contract, to proceed in accordance with these VNP. These VNP are valid solely in the presented Czech version. In the case of a discrepancy between this wording and a translation into a foreign language it is their Czech version that is solely valid. If any provision of these VNP is in contradiction with provisions of possible Business Terms and Conditions of the Provider, the provision of these VNP shall apply. The Provider's Terms and Conditions can only apply if the Customer expresses its written and specific consent with them or their parts.

fulfilled;

2. Order of priority of provisions of individual documents of the Contract

In case that the content of the Contract is formed of provisions contained in multiple documents, the provisions shall have priorities, for the case of a mutual contradiction, in the following order:

- i. Provisions contained in the Contract or in the order which was accepted by the Client;
- ii. Provisions contained in other documents of other Business Terms and Conditions of the Customer than these VNP, to which the Contract refers;
- iii. Operation Terms and Conditions (Code) of the Client valid in the place(s) where the Contract is

3. Offer

- 3.1 If the Provider prepares an offer for the Client on the basis of the Client's enquiry, it is obliged to exactly observe the specification and wording of the enquiry in its offer. If it deviates from them, it is obliged to announce it explicitly. The offer shall always be drawn up by the Provider free of charge. If the subject matter of the Contract is implemented according to a design, the Provider is obliged to always verify the design, including the list and description of the works/fulfilment, together with drawings and calculations, as well as individual attached provisions of the enquiry. Any possible irregularities and possible changes or additions shall always be stated by the Provider during the handover of the offer. If the Provider does not raise any written objections before the awarding of the Contract, it shall consider the data provided for in the ground materials of the enquiry to be sufficient and correct. From the lack of knowledge of local relations it is not possible to exercise any claim for compensation of additional costs. The Provider is obliged to submit, together with the handover of the offer, the document of VAT payer's registration. If it is not a VAT payer, it must expressly state this fact in the offer or during acceptance of the order.
- 3.2 The conclusion of a Contract or possible amendments thereto or of other agreements following up to such a Contract shall not be subject to a possibility of modified acceptance pursuant to provisions of Section 1740(3), the first sentence, of the Act no. 89/2012 Coll., Civil Code, if the offer is sent by the Provider. This means that it is not possible, on the part of the Provider, to validly accept an offer to conclude a Contract with a change or deviation modifying the terms and conditions of the offer.

4. Order

- 4.1 The orders must be made in writing. The requirement for a written form shall apply also in case of handover through electronic data transmission, if the order is provided with an electronic signature. The requirement for a written form shall remain kept in case of an order even in the case of handover through electronic data transmission, without the order

order being signed electronically, if the Customer issues an order on the basis of a framework agreement, a Contract with gradual partial fulfilment or of a Contract with recurrent fulfilment, and if such a form of orders issued on the basis of these types of contracts was agreed upon in the Contract. Side or later verbal provisions to an order shall only be binding if they are confirmed by both the Customer and the Provider in writing.

- 4.2 The Provider is obliged to accept the Customer's order within ten business days from its delivery, with an authorised signature. The orders issued or handed in by the Customer through an electronic data transmission can be confirmed by the Provider in the same way if the condition of the electronic signature is complied with.

5. Subcontractor

- 5.1 Without the prior written consent of the Customer the Provider must not transfer its orders implying from the Contract, whether as a whole or in a part, to other persons and must not use other persons to fulfil its obligations implying from the Contract. The assignment by a Subcontractor of partial fulfilments to another person shall also require the prior written consent of the Customer. In case that the Customer has provided its consent with the use of Subcontractors, the Provider is obliged to impose on the Subcontractors all its obligations associated with the fulfilments which are to be provided by the Subcontractors to the Provider for the purpose of fulfilment of the Contract, and to ensure their observance as if the fulfilment had been provided by it. In case that the Provider uses Subcontractors during implementation of a Contract whose subject matter is execution of constructions within the meaning of the Act no. 183/2006 Coll., execution of assembly works or other similar subject matters of fulfilment, it is obliged, within the meaning of the Act no. 309/2006 Coll., to ensure fulfilment by the Work Safety Coordinator on the construction site or another similar place of fulfilment. In case of involvement of the Subcontractors the responsible persons of the Provider and of the Subcontractor shall discuss legal rules concerning work safety, as well as other regulations and rules imposed by the Customer on the Provider and shall document this discussion in the Report. The Customer shall receive one copy of such a Report.
- 5.2 Already during the handing in of the offer it is necessary to state the Subcontractors which should take part in fulfilment of the Contract, or to define the fulfilments which are to be assigned by the Provider to the Subcontractors.
- 5.3 The Provider is obliged to bind the Subcontractors in the Subdelivery Contract to hand over to the Customer, at the latter's possible request, through the Provider any

necessary certificates and declarations in the extent required by the Customer, especially the certificates proving that the Subcontractors do not have any arrears in the field of taxes or public health insurance and social security levies, and also work permits of the Subcontractors' employees, if such a permit is necessary for them. The Provider is obliged to impose on the Subcontractor all the obligations relating to the tasks and undertakings assumed by it from the Customer and to ensure their observance.

- 5.4 The Provider must not prevent its Subcontractors from concluding contracts with the Customer relating to provision of other partial fulfilments or to complicate conclusion of such contracts to them. Especially any exclusivity agreements with third parties are inadmissible, which would prevent the Customer or the Subcontractors from obtaining or taking such fulfilments for the Customer, which the Customer itself needs or which the Subcontractor needs for implementation of such orders.
- 5.5 The Customer is always authorised to refuse any Subcontractor for serious reasons. This shall apply especially in case that there are justified doubts regarding necessary experience or qualification or if the provisions of regulations concerning work safety, protection of the environment or information security are not complied with. The Provider undertakes to ensure, in these cases, without any delay, qualified substitution. The Provider shall be responsible for any delays arising on the basis of refusal of a Subcontractor.
- 5.6 If the Provider breaches any of the obligations imposed on it in paragraphs of Article 5 of the present VNP, the Customer has the right to withdraw from the Contract without any previous notice, when the withdrawal from the Contract becomes effective on the delivery of the notice of withdrawal from the Contract to the Provider.
- 5.7 The Provider is obliged to bind the Subcontractors in the Subdelivery Contract to enable the Customer, at the latter's possible request through the Provider, to make a check (audit) of assurance of the information security.

6. Safety, health protection, protection of the environment and quality

- 6.1 The Provider is obliged to observe technological procedures, valid technical or legal standards, requirements of state authorities and operational rules and regulations of the Client. In particular it shall ensure observance of the rules and regulations concerning work safety and health protection according to applicable legislative regulations. The Provider is obliged to have, for all the time of implementation of the Contract, all authorisations that are necessary for implementation of the Contract, and/or which are required for implementation of the Contract by Czech public-law regulations, especially applicable trade licences. The

- Provider is obliged to prove the existence of these authorisations at the Customer's request, to which it shall at the same time bind also its Subcontractors in the Subdelivery Contract, if it is to use them for implementation of a part of the Contract.
- 6.2 The Provider is obliged to ensure that the equipment and technical working means which are to be used for implementation of the Contract were provided together with the Operating and Assembly Instructions, Declaration of Conformity (EU), CE marking and with the Type Test report, if applicable. On a priority basis it is necessary to deliver or use the equipment / working means with the CE marking. If the CE marking is not granted, the Provider must document the observance of the above mentioned regulations.
- 6.3 The Provider is obliged to test products according to Czech industrial standards and to provide the Client with the results of these tests at the latter's request. Also the Client has the right to test these products. The tests within this meaning are not considered as takeover of the subject matter of fulfilment of the Contract.
- 6.4 During the delivery of substances and preparations featuring dangerous characteristics according to applicable regulations on dangerous products the Provider must hand over the information on such products to the Client in time and before the delivery to the destination, in particular current Material Safety Data Sheets in the Czech language. In case of regular or recurrent deliveries, the Material Safety Data Sheets shall only be handed over on the first handover and on the update thereof by the Provider. The same shall apply also to the information on materials for which the placement on the market is conditionally limited by legal regulations. On the transport of materials it is necessary to observe the International ADR Agreement (the European Agreement concerning the International Carriage of Dangerous Goods by Road).
- 6.5 In general, the Provider is obliged to avoid using the substances classified as carcinogenic, mutagenic and toxic for the reproduction system. If it is necessary to deviate from this rule, the Customer must be informed about it before the delivery / use of such substances in writing. It is necessary to jointly approve the precautions implying from this fact.
- 6.6 If the Provider has established a quality management system, the Customer or a person authorised by the latter is authorised to review this system in an arbitrary extent and at any time.
- 6.7 The Provider is obliged to state, for replacement and spare parts, all the unambiguously described attributes, such as:
- Manufacturer
 - Type
 - Order number / product number / identification number
 - Dimensions
 - Material
 - Identification of the standard, such as ČSN, DIN, IEC, ISO etc.
- The substances contained in delivered products and operational media to which legal regulations on dangerous substances and dangerous preparations apply must be declared in an appropriate way (see Clauses 6.4 and 6.5 of the present VNP).
- 6.8 The Provider and its Subcontractors are obliged to comply with Czech labour-law regulations concerning, among other things, working hours and local rules and regulations of the Client. The Provider is obliged to properly conduct and keep the records of working hours of its employees and to impose this obligation also on its Subcontractors.
- 6.9 The Provider and its Subcontractors shall use only qualified and instructed employees and shall observe, in the full extent, obligations in the field of occupational health and safety, especially obligations imposed on them by provisions of Sections 101 to 106 of the Act no. 262/2006 Coll. At the Customer's request, the Provider shall submit corresponding documents of qualification of persons and performed preventive health examinations of its employees and of the employees of its Subcontractors. The Client reserves the right to make a check of compliance with regulations aimed at occupational health protection on the Provider's part and the Subcontractors engaged by the Provider in the course of execution of works.
- 6.10 The Provider undertakes not to expose anybody with whom it enters into contacts in connection with its activities for the Customer to discrimination, breach of rights to personality protection or any acting which would be in contradiction with morality. The Provider moreover undertakes to expressly advise its employees or its Subcontractors of this obligation.
- 6.11 The Provider is obliged to observe Czech legal regulations and local regulations concerning fire protection. The Provider is furthermore obliged to fulfil its obligations on the arising of an emergency condition or in case of the public interest, especially its obligations at energy emergency conditions within the meaning of the Act no. 458/2000 Coll., Energy Act, and its obligations within the meaning of the Act no. 239/2000 Coll., Integrated Rescue System Act.

- 6.12 The Customer has the right to require, in serious cases, the replacement of the Provider's personnel. This principle shall apply especially in the case when there are justified doubts about necessary experience or qualification of the employees used, or when provisions of protection of work safety / protection of the environment are not observed. The Provider undertakes to ensure qualified replacement in these cases. This shall be without prejudice to the deadlines agreed upon for provision of fulfilment. The replacement by the Provider of the personnel needs the prior written consent of the Customer. All the additional costs connected therewith shall be borne by the Provider.
- 6.13 The Provider undertakes to indemnify the Customer against all damage and costs (including the costs incurred on the basis of sanctions imposed by the Customer) implying from a breach of legal standards caused by the Provider or by one of its employees or Subcontractors.
- 6.14 The Provider shall register all occupational injuries and injuries occurred during business trips of its employees, or of the employees of its Subcontractors. These records shall serve for improvement of work safety. If the Provider's employees or the employees of the Provider's Subcontractor suffer an occupational injury in connection with provision of fulfilment of the Provider towards the Customer, the Provider shall announce this fact, as well as other details of the injury without any delay in writing to the local representative of the Customer responsible for work safety. The report on an injury does not release the Provider from existing legal notification obligations, especially towards the competent Work Inspectorate, towards the corresponding injury insurance company and if necessary according to applicable regulations, then also towards the Police of the Czech Republic.

7. Compliance with regulations and the Supplier's Code of Conduct

- 7.1 The Customer is a globally operating company for which the Supplier's Code of Conduct and social responsibility within the framework of business activities are very important. On the basis of this fact the Provider undertakes to perform all necessary measures for elimination of bribery and other punishable conduct and to observe the standards provided for in the Supplier's Code of Conduct (this can be found on <http://www.eon.cz/o-nas/o-skupine-eon/pro-partnery/vseobecne-nakupni-podminky>).
- The Provider shall bind, in writing, its staff and Subcontractors engaged in connection with fulfilment of contractual obligations of the Provider towards the Customer to observe the Code of Conduct of E.ON Suppliers. At the Customer's request the Provider shall prove the undertaking of its personnel and Subcontractors towards the Customer.

- 7.2 The Regulations of the Council of the European Union (EC) no. 881/2002 and (EC) no. 2580/2001, laying down specific rights and obligations directly for natural persons and legal entities in each Member State of the European Community, introduced, for the purpose of fight against terrorism, the ban of provision, both directly and indirectly, of means and other financial resources to the disposal of certain natural persons or legal entities, groups or organisations. The Provider undertakes to observe this ban and to check at its Subcontractors, Suppliers business partners and employees whether their names are not identical with the names of natural persons or legal entities, groups or organisations which are registered on the lists forming annexes to the above mentioned regulations. In case of the finding out of the conformity of the names, the Provider is obliged to immediately terminate contractual relations with these persons, groups or entities.
- 7.3 The Provider undertakes to introduce, as a legal entity or a natural person, in its plant, all measures for prevention of the breaches of legal regulations or the Rules of the Supplier's Code of Conduct, especially through a serious breach of these regulations. The term "serious breach" shall include, without limitation to:
- Crimes of bribe acceptance, corruption or indirect bribery, even though the matter concerns such conduct (bribery or provision of advantages) towards Executive Officers, Members of the Board of Directors or employees of the Customer or other private entities
 - Crimes against property, such as embezzlement or fraud,
 - Crime of falsification and alteration of a public deed,
 - Crimes of arrangement for an advantage on a public contract award, at a public tender procedure and public auction and machinations at a public tender procedure,
 - Crimes against binding rules of the market economy system and goods circulation in contacts with foreign countries, e.g. breach of regulations on the competition rules,
- regardless of the level of the development stage of the crime (preparation of a crime, attempt of a crime or committed crime), and regardless of the form of criminal cooperation (co-offenders, indirect offenders or participation in a crime);
- or also
- Breach of the regulations on economic sanctions or circumnavigation of sanction measures of the European Union, especially a breach of the Regulation of the Council of the European Union (EC) no. 881/2002 and (EC) no. 2580/2001
 - Offences according to provisions of Section 22 and administrative offences,

pursuant to Section 22a of the Act no. 143/2001 Coll., on protection of the competition

delivery of the notice of withdrawal to the

- 7.4 The Provider makes an affirmation that
- No criminal proceedings are conducted against it or against a member of the statutory or another body or against a former member of such a body (jointly hereinafter referred to as "the suspect"), within the framework of which the suspect is charged or accused of committing a crime in connection with conclusion of the corresponding contract or in connection with the tender procedure organised by the Customer for the purpose of conclusion of such Contract, especially for a crime pursuant to Section 216, Section 256, 257 and Section 332 of the Criminal Code,
 - It has not concluded and will not conclude with other Suppliers a prohibited agreement pursuant to the Act no. 143/2001 Coll., on protection of the competition, in connection with the order for conclusion of the Contract.
- 7.5 If the Provider, its Subcontractor, person operating for it or authorised or empowered by it got involved or took part in any way in any of the crimes provided for in Clause 7.3 of the present VNP or committed another serious breach in connection with the Contract or breached another obligation according to Article 7 of the present VNP, the Customer is authorised to charge the Provider and the Provider is obliged to pay a contractual penalty amounting to 15 % of the total price of the subject matter of the fulfilment provided on the basis of the Contract. This contractual penalty shall be without prejudice to the Customer's right to liquidated damages exceeding the amount of that contractual penalty. The occurrence of the serious breach shall be considered, for the purpose of the present Article 7 of the VNP as proven (except for Clause 7.4 of these VNP), if the serious breach is declared by a court or by a state administration office, even in case that the decision has not become final yet.
- 7.6 If the affirmation made according to Clause 7.4 of these VNP shows to be untrue, which means that criminal proceedings are conducted against the Provider or against another suspect, within the framework of which the suspect is charged or accused of committing a crime in connection with conclusion of the Contract, especially a crime pursuant to Sections 216, 256, 257 and 332 of the Criminal Code, or if it is shown, even only on the basis of credible information, on the basis of which the Customer acquires justified suspicion that the Provider has made, in connection with the order for conclusion of the present Contract, a prohibited agreement pursuant to the Act no. 143/2001 Coll., on protection of the competition, the Customer:
- is authorised to withdraw from the corresponding Contract, with efficiency at the moment of

Provider (unless specified otherwise in the notice of withdrawal), due to the essential breach of these VNP, or the corresponding Contract, and moreover it is also

authorised to charge and the Provider is obliged to pay a contractual penalty at an amount according to Clause 7.5 of the present VNP.

term and is obliged to prove the contracted insurance at the Customer's request.

- 7.7 If the Provider, a person operating for it or authorised or empowered by it got involved or took part in any way in any of the crimes provided for in Clause 7.3 of the present VNP or committed another serious breach in connection with the Contract, the Customer is authorised to withdraw from the Contract and also from all other existing contracts made with the Provider.
- 7.8 If the Provider finds out any facts indicating that a serious breach may have been committed in connection with the Contract, it is obliged to inform the Customer thereof and to clarify, without any delay, whether the serious breach has occurred or not. If the serious breach has occurred, the Provider is obliged to introduce all possible measures to prevent the existence of that serious breach, in case that it still persists, or to prevent any future serious breach. The Provider shall, in that case, inform the Customer about clarification of the facts and about other possibly adopted measures. In case of a suspicion that a serious breach has occurred, the Customer is authorised to look into all documents, reports, accounts, books, e-mail messages etc. of the Provider and the Provider is obliged to submit these documents to the Customer.

8. Insurance

The Provider must, for all the term of the Contract, including the warranty periods and terms of limitation for the case of claims from defects or for the case of other claims of the Customer, maintain the insurance of liability for damage caused by operational activities or/and by a defect of a product to the Customer or/and to third persons under the terms and conditions usual in the sector in question, in a minimum amount of the insurance coverage of CZK 30 million or, if it exceeds CZK 30 million, then in an amount of the price of the subject matter of fulfilment of the Contract per damage event, unless the Contract or the order provides for otherwise. In case that the subject matter of the Contract is execution of constructions within the meaning of the Act no. 183/2006 Coll., execution of assembly works or other similar subject matters of fulfilment, it is obliged to maintain also the construction and assembly insurance with insurance coverage at least in an amount of the subject matter of fulfilment of the Contract. The Provider is obliged to properly maintain all insurance contracts for the entire

9. Delivery term / term of provision of fulfilment

- 9.1 The terms of fulfilment determined by the Contract or on the basis thereof shall be binding. The Provider is obliged to immediately inform the Customer, in writing, if it finds out that there occurred circumstances from which it implies that it will not be possible to observe the term agreed upon or if such circumstances may occur.
- 9.2 The Provider can only refer to the absence of cooperation which was to be provided by the Customer if that cooperation was not provided in a reasonable term.

10. Place of fulfilment and transport

- 10.1 All fulfilment must be provided to the Customer according to the DDP Incoterms 2010 rule, the delivery place being as agreed upon in the Contract or in the order, accepted by the Provider. To each fulfilment it is necessary to attach the Delivery Note or another verifiable document proving the fulfilment provided. Transport is carried out for account and risk of the Provider.
- 10.2 If transport is ensured on the basis of a special written agreement for account of the Customer, it is necessary to choose such a method of transport that is the most convenient for the needs of the Customer. It is necessary to pack the deliveries in such a way that it can be possible to eliminate all damage during transport.
- 10.3 The Provider shall ensure that the transport documents specify, apart from the consignment receiver's address, especially the following data from the Contract or from the order: Number of the Contract or of the order, date of conclusion of the Contract or date of issue of the order, delivery place, company name or name of the receiver and name or number of the material.
- 10.4 The costs arising due to the sending of the delivery to an incorrect address shall be borne by the Provider if it is responsible for the transport or if it has caused the sending to the incorrect address.
- 10.5 The Provider is only authorised to deliver partial deliveries / partial fulfilment with the prior written consent of the Customer.
- 10.6 The signing by the Customer of the Delivery Note cannot be interpreted as a waiver of any right of the Customer in virtue of defects of the subject matter of fulfilment. The Customer reserves the right to find out and announce possible damage of the subject matter of fulfilment even later than at the moment of the signing of the Delivery Note. The signing of the Delivery Note cannot be at the same time interpreted as a confirmation of the fact that the subject matter of fulfilment has been delivered in accordance with the Contract,

or as conclusion of a contract or making a proposal for conclusion of a contract in a concluding way, if provision of the subject matter of fulfilment has not been agreed upon in advance in the written agreement or ordered in accordance with Article 4 of the present VNP.

11. Entry and vehicle access to the Customer's plant or construction site

- 11.1 The Provider is obliged to notify the Customer in time of the entry and vehicle access to the Customer's plant and/or construction site. The Provider is obliged, on the vehicle access or entry into the Customer's plant or during the move therein, to observe the instructions of the Customer's staff. The Provider must observe the road traffic operation rules. The Provider shall be responsible for property and health damage caused by it in the Customer's plant and/or on the construction site. If the Customer or its staff members are responsible for damage or injury caused to the Provider within its plant or construction site, it shall only be responsible, regardless of the legal cause, for the damage possibly caused by gross negligence or intentionally.
- 11.2 If the fulfilment is provided within the plant or construction site, the Provider is obliged to observe the local Operation Code with which it is to be made familiar before commencement by the Customer of the work. The report on the training and rendering the Provider familiar with the Operation Code shall be stated by the Customer in the Construction Site Handover Report.

12. Changes in fulfilment

- 12.1 The Provider is obliged to perform the Contract with appropriate due professional care. If the Provider finds out, while exerting such care during the performing of the Contract, that it is necessary or that it would be suitable to make, in comparison with the Contract, any changes/extension of the extent of the subject matter of fulfilment of the Contract, the Provider shall notify the Customer thereof without any delay and in writing. The execution of such extensions or changes shall then require the obtaining of the prior written consent from the Customer. If such execution of changes in the subject matter of fulfilment of the Contract or the extension thereof cannot be postponed and if the failure to perform it caused at least non-negligible damage to the Provider, the Provider is obliged to make such a change or extension without any postponement even without the prior consent of the Customer.
- 12.2 If the Customer asks for a change/extension of the subject matter of fulfilment of the Contract, the Provider shall assess these changes from the viewpoint of impacts on the order, especially from the viewpoint of impacts on technical design, costs

the subject matter of fulfilment of the Contract shall

and time schedule of fulfilment and it shall announce the result to the Customer in writing within ten calendar days. If the Customer decides to accept these changes, the Parties shall carry out a corresponding modification of the Contract.

- 12.3 The Customer is authorised to require, at any time, interruption of fulfilment of the Contract. Additional costs caused by such an interruption shall be borne by the Customer. The time of the resuming of fulfilment of the Contract shall be determined by the Customer with regard to authorised interests of the Provider.

13. Waste disposal

- 13.1 The Provider is obliged, at first, to prevent generation of waste and to remove, properly and on its own behalf, any waste originating from the materials delivered/provided by it, as the waste originator. The same shall apply also to its Subcontractors.
- 13.2 If any waste arises during implementation of deliveries/work and if no other procedure is agreed upon in writing, further handling of this waste shall be ensured by the Provider. It shall do so at its own costs and in accordance with Czech legal regulations concerning waste. The waste ownership, risks associated with waste and legal responsibility for waste shall pass to the Provider at the moment of the arising of the waste.

14. Acceptance/transfer of risk of damage to a thing/ transfer of ownership rights

The Customer shall accept fulfilment exclusively in a formalised way. The acceptance must be confirmed by a written report. Partial acceptances are only possible if they are expressly requested by the Customer in writing.

If the Provider hands over a thing to the Customer within the framework of fulfilment of the Contract, the risk of damage to that thing shall pass at the time when the Customer takes over the thing from the Provider. The risk of damage to the thing shall, however, not pass to the Customer before the handover of the thing to the Customer with the signing of a report, regardless of the fact when it should have taken over the thing.

If the Provider, during fulfilment of the Contract for Work or a similar Contract, produces a thing at the Customer, on its plot of land or on the plot of land which was ensured by the Customer, the Customer shall be its owner, but the risk of damage to that thing shall be borne by the Provider for the term of the Contract.

If the subject matter of fulfilment of the Contract is maintenance, repair or modification of a thing, the risk of damage to that thing shall be borne by the Provider for the term of the Contract.

The ownership right to the things forming a part of

pass, unless they are already owned by the Customer, from the Provider to the Customer at the moment of their delivery to the construction site or to another place of fulfilment of the Contract, services, works or other performances at the moment of their execution.

15. Claims from defects/claims from defective subject matter of fulfilment

15.1 Regardless of the fact whether the delivery of the goods with defects, handover of the Work with defects or delivery of other defective fulfilment breaches the Contract in an essential way or not, the Customer can:

a) Require removal of defects by delivery of replacement goods, Work, performance or works (hereinafter referred to as "the subject matter of fulfilment") for the defective subject matter of fulfilment, delivery of the missing part of the subject matter of fulfilment and require removal of legal defects,

b) Require removal of defects of the subject matter of fulfilment by repair of the goods, if it is possible from the nature of the thing and if the defects are repairable,

c) Require a reasonable discount from the price of the subject matter of fulfilment, or

d) Withdraw from the Contract.

The selection between the claims provided for in the previous paragraph shall only be at the Customer's discretion if it announces the same to the Provider in the timely sent notification of the defects or without any unnecessary delay afterwards. The Customer's discretion shall, however, be considered as timely announced if it is announced within six weeks from the moment when it was informed about the defect of the subject matter of fulfilment.

15.2 If it is necessary to exchange or replace the same subject matter of the Contract or its same parts on the basis of the exercise of rights from defects more often than twice, then the Provider is obliged to exchange or replace all the things or works of that kind situated in the delivery, service or construction in such a way that it can be possible to exclude their defects in the future.

In such a case the costs of additional fulfilment associated with the above mentioned exchange or replacement shall be borne by the Provider. The Provider shall bear also the construction costs of e.g. dismantling transport, assembly, drawing up of documentation etc., incurred on additional fulfilment.

15.3 The period of limitation for claims from defects shall be extended by the period between the delivery of the notice of defect claim and claim removal.

15.4 If parts of the subject matter of fulfilment of the Contract are changed within the framework of the exercise of claims from defects or if they are replaced by different parts, the Provider is obliged, at its own expense, to change or exchange corresponding replacement and spare parts.

- 15.5 In case of withdrawal from the Contract on the Customer's part the Customer is authorised to continue to use, free of charge, the defective subject matter of fulfilment of the Provider until obtaining a suitable replacement.
- 15.6 In case of withdrawal from the Contract the Provider shall bear the costs of possible dismantling / removal of the defective subject matter of fulfilment, if such a step is necessary, and shall bear the costs of its further transport and shall be responsible for the disposal thereof.
- 15.7 For machinery and electrotechnical/electronic equipment or parts thereof, where maintenance can influence safety and functional capacity, the Provider shall provide the Customer with a warranty period of two years from the time of the official takeover, even though the Customer has decided not to entrust the Provider with maintenance during the warranty period.
- 15.8 The Customer shall have the right, until the moment of the official takeover during which no defects of the subject matter of fulfilment are found out, to retain 10 % of the total price of the subject matter of fulfilment. Besides this, the Customer shall have the right to retain 5 % of the total price of the subject matter of fulfilment during the warranty period for the reason of possible claims from defects.

16. Product durability regardless of the time factor

The Provider shall be responsible for the fact that the subject matter of fulfilment or its parts which use time measurement will operate without any defects and in accordance with the Contract in connection with time measurement.

Especially:

- An incorrect time measurement must not cause a limitation of product functionality, operational failures or interruption of operation of these products or of other products.
- The stated data or modification of the stated data must not lead to erroneous results.
- It is necessary to ensure correct calculation and processing of leap years and it is necessary to calculate correctly with introduction and ending of the daylight saving time.

17. Weight / quantity

For weight deviations, the decisive weight is the one found out by the Customer on the acceptance of the goods, unless the Provider proves that the weight declared by it was found out correctly according to a generally recognised and objective method. The same principle shall apply to quantity as well.

18. Claims of defects

The Customer is obliged, on the handover of the subject matter of fulfilment, to check the subject matter of fulfilment or to arrange for its visual inspection according to possibilities as soon as possible after its handover. It shall, however, be considered that it has fulfilled this obligation in time if it ensures its visual inspection and announces any defects found out during the inspection within four weeks from the date when it has taken over the subject matter of fulfilment. The claim period for hidden defects shall be four weeks from the date of finding by the Customer of the defect.

19. Prices / invoicing

- 19.1 The prices stated in the Contract or in the accepted order of the Customer shall be firmly fixed prices, including all discounts and surcharges. The Value Added Tax shall be added to the prices stated, in the rate given by the Act and valid as of the date of taxable supply.
- 19.2 The Provider shall observe, during the rendering of the accounts and invoicing of the price of fulfilment provided on the basis of the Contract, especially the rules provided for in Clause 19.3 to 19.5 of the present VNP.
- 19.3 The invoices shall be sent to the mailing address of the Customer or in an electronic form to the e-mail address.

In case that the Customer is **E.ON Energie, a.s.:** E.ON Energie Faktury, P. O. Box 01, Sazečská 9, 225 01 Prague; faktury-eon.energie@eon.cz;

In case that, the Customer is **E.ON Česká republika, s.r.o.:** E.ON Česká republika Faktury, P. O. Box 03, Sazečská 9, 225 03 Prague; faktury-eon.ceska.republika@eon.cz;

In case that the Customer is **E.ON Servisní, s.r.o.:** E.ON Servisní Faktury, P. O. Box 31, Sazečská 9, 225 31 Prague; faktury-eon.servisni@eon.cz;

In case that the Customer is **Jihočeská plynárenská, a.s.:** Jihočeská plynárenská Faktury, P. O. Box 11, Sazečská 9, 225 11 Prague;

In case that the Customer is **E.ON Business Services Czech Republic s.r.o.:** E.ON Business Services Czech Republic Faktury, P. O. Box 53, Sazečská 9, 225 53 Prague; faktury-ebscz@eon.cz;

In case that the Customer is **E.ON Distribuce, a.s.:** E.ON Distribuce Faktury, P. O. Box 13, Sazečská 9, 225 13 Prague, faktury-eon.distribuce@eon.cz,

unless the Customer states otherwise. The Provider shall always state the order number on the invoice and shall add all necessary invoicing data according to the nature of the Contract and

undertakes not to intentionally expose the

according to the requirements of the Contract (e.g. Delivery Notes, Handover Reports, Bills of Materials, specification of the actual extent of works or work statements). Every invoice must be issued in accordance with the Act no. 235/2004 Coll., on the Value Added Tax, as amended, and with Section 11 of the Act no. 563/1991 Coll., on accounting, as amended. The invoice maturity is defined by the number of calendar days from the date of its delivery, when this number of days is determined in a different way according to the amount of the total price of fulfilment agreed upon in the Contract as follows:

- If the total price of fulfilment agreed upon by the Contract (VAT exclusive) is lower than or equal to CZK 275,000, the maturity period shall be 30 days from the day of its delivery.

- If the total price of fulfilment agreed upon by the Contract (VAT exclusive) is higher than CZK 275,000, the maturity period of the invoice shall be 60 days from the day of its delivery.

The date of taxable supply specified on the invoice shall be determined in accordance with the Value Added Tax Act.

- 19.4 The invoices for partial deliveries / fulfilment must be provided with the note "Invoice for partial delivery/fulfilment". The final invoice which is to be issued for the remaining part of the delivery / fulfilment shall include the accounting of the partial invoices already issued.
- 19.5 Every invoice shall state, as separate items, the tax base prescribed by the Act, standard or reduced rate of the tax or the information that the matter concerns fulfilment exempted from the tax or a reverse charge obligation with reference to the applicable provisions of the Value Added Tax Act and the total amount of the Value Added Tax. The original document of the invoice must not be attached directly to the delivery of the goods.
- 19.6 The Provider shall be responsible for all consequences arising due to a failure to comply with obligations provided for in Clause 19.1 to 19.5.
- 19.7 The Customer shall have the right of retention in the extent given by the Act, whether it retains a thing of the Provider in the Customer's possession on the basis of the Contract or on the basis of another relation existing between the Customer and the Provider.
- 19.8 In case that the Customer/receiver of fulfilment applied the special method of securing of tax for the reason of elimination of liability for unpaid VAT in accordance with the Act on the VAT, as amended (Section 109a of the Act no. 235/2004 Coll.), the Customer's liability in the amount of the VAT paid for the Provider of the fulfilment shall thereby cease to exist. The Provider of taxable supply undertakes to fulfil the obligations implying to it from the Act on the VAT, as amended, properly and in time. It especially

Customer/receiver of fulfilment to the risk of fulfilment in virtue of liability for unpaid tax pursuant to Section 109 of the Act on the VAT.

The handover by the Supplier of the invoice can be made in a printed form or electronically in the pdf format in accordance with applicable provisions of the Act no. 235/2004 Coll., on the Value Added Tax. If the Customer does not accept received invoices / credit notes on the basis of a failure to comply professional, legal or tax-legal requirements, it shall return these original documents to the Provider for completion and reworking in such a way that they can be issued in accordance with the Act no. 235/2004 Coll., on the Value Added Tax, as amended.

c) The Provider has breached its obligation in the field of occupational health and safety in connection with implementation of the subject matter of fulfilment of the Contract.

The term "essential breach by the Customer of a contractual obligation" shall denote especially the Customer's delay with payment of the price of

20. Assignment of rights

20.1 The Provider is only authorised to assign or otherwise transfer any of its rights or obligations from the Contract on the basis of the prior written consent of the Customer. The assignment of such a right or obligation is absolutely invalid without the granting of this consent.

21. Withdrawal from the Contract

21.1 Before the completion of the Works the Customer can withdraw from the Contract even without specifying a reason and without such a withdrawal meaning a breach by the Provider of a contractual obligation; it is, however, obliged to pay to the Provider the amount accounting for the already implemented part of the subject matter of fulfilment of the Contract, if the Provider cannot use that part in any other manner, and is obliged to provide the Provider with compensation for the costs incurred by it purposefully in a provable way due to the withdrawal from the Contract.

21.2 Both the Provider and the Customer are authorised to withdraw from the Contract in the cases specified by the Contract, these VNP or the Act no. 89/2012 Coll., Civil Code. Especially the following situations shall be considered as an essential breach by the Provider of a contractual obligation:

a) The Provider has been in delay with fulfilment of any term of implementation of the subject matter of fulfilment of the Contract for more than 30 calendar days.

b) The Provider has breached a prescribed technological procedure or public-law regulation in connection with implementation of the subject matter of fulfilment of the Contract.

fulfilment provided on the basis of the Contract or any part of this price lasting for more than 30 calendar days.

21.3 If the Customer withdraws from the Contract on the basis of a breach by the Provider of the Contract, it is authorised to select, within the framework of the notice of withdrawal from the Contract, whether, as far as the effects of withdrawal from the Contract and manner of settlement of fulfilment from the Contract which the Parties have already provided to each other until the withdrawal from the Contract are concerned, the effects of withdrawal from the Contract and the manner of settlement of the Contract are to apply:

a) as specified by the Act no. 89/2012 Coll., Civil Code, especially in its provisions of Section 2001 et seq., or whether

b) the Provider will be obliged, after receiving the notice of withdrawal, either immediately or as of the date determined in the notice of withdrawal, to fulfil the obligations provided for in Clause 21.4. of the present VNP.

21.4 In the case that the Customer selects, within the framework of withdrawal from the Contract, the variant provided for in Clause 21.3 of the present VNP under letter b), the Provider will be obliged to:

a) Stop all other works and performances, except for those works and performances which the Customer possibly specified in the notice of withdrawal for the purpose of protecting the part of the subject matter of fulfilment of the Contract, which has already been implemented,

b) Hand over to the Customer all parts of the subject matter of fulfilment of the Contract implemented by the Provider till the date of withdrawal,

c) Terminate all the contracts with the Subcontractors, except for those which are to be assigned to the Customer according to letter d) below,

d) Assign to the Customer all rights, advantages and profits of the Provider associated with the subject matter of fulfilment of the Contract and with the things forming the subject matter of fulfilment of the Contract as of the date of withdrawal, and then if requested by the Customer in the notice of withdrawal, to assign to the Customer all the rights from the contracts specified by the Customer and made between the Provider and its Subcontractors in connection with fulfilment of the Contract,

e) Deliver to the Customer all the documentation, drawings, specification and other documentation drawn up by the Provider and its Subcontractors in connection with the subject matter of fulfilment of the Contract as of the date of withdrawal.

21.5 In the case that the Customer selects, within the framework of withdrawal from the Contract, the

VNP under letter b), the Provider is entitled to payment of the contractual price of the subject matter of fulfilment of the Contract accounting for the already implemented part of the subject matter of fulfilment of the Contract. Nevertheless, if the Customer has the subject matter of fulfilment of the Contract completed at its own expense, the Provider's entitlement shall be reduced by the amount by which the costs incurred purposefully by the Customer possibly exceed the price of the subject matter of fulfilment agreed upon in the Contract.

Subcontractors, do not prevent the subject matter of fulfilment of the Contract from being used in the specified extent, and is liable towards the Customer for any damage caused to the latter by possible claims of those persons, including all costs incurred by the Customer in connection with these claims.

- 21.6 In the case that the Customer selects, within the framework of withdrawal from the Contract, the variant provided for in Clause 21.3 of the present VNP under letter b), the withdrawal from the Contract shall be without prejudice to its entitlement to compensation for damage caused by the breach by the Provider of the Contract or the provisions of the Contract concerning selection of the law or solution of disputes between the Parties and other provisions which are to persist according to the demonstrated will of the Parties or with regard to its nature even after the end of the Contract.
- 21.7 If either of the Parties withdraws from the Contract in any manner and for any reason, the Provider is obliged to clear the construction site without any delay and to hand it over to the Customer and to release to it all the documents necessary for continuation of the works or other performances.
- 21.8 The Customer is authorised to withdraw from the Contract with the effective date at the moment of delivery of the notice of withdrawal also in the case that if insolvency proceedings are initiated in a case of the Provider as a debtor or if the petition for insolvency proceedings in a case of the Provider as a debtor is rejected for the lack of its assets.

22. Right to use and intellectual property protection rights

- 22.1 The Customer is authorised to use, without limitation, the subject matter of the delivery and services and/or the works executed (the subject matter of the Contract), including patent and other protection rights which are associated with the subject matter of the Contract. This right of use of the Customer or of the person authorised by the latter provides authorisation also to changes and maintaining of the subject matter of fulfilment of the Contract and includes also the illustrations, drawings, calculations, analytical methods, recipes and other documents which the Provider prepares or develops on the arising and implementation of the Contract. For the purpose of maintaining and/or additional production of replacement and spare parts the Customer can disclose all the above mentioned documents to third parties. The Provider assures the Customer that the rights of third parties, especially of its

characteristics of the client.

- 22.2 The Provider is responsible for the fact that the delivery and use of the subject matter of the Contract do not infringe industrial protection rights, copyright or other rights of intellectual property of third parties. The Provider is responsible to the Customer for any damage caused to it by possible claims of those persons, including all the costs incurred by the Customer in connection with those claims. Although the Provider owns industrial protection rights to the subject matter of fulfilment of the Contract, the Customer or its empowered attorneys can perform repairs in connection with this context.
- 22.3 The Customer is authorised to let the subject matter of the Contract in the extent specified (in Clause 22.1 and 22.2 of the present VNP) for use to another person who is the controlling entity in relation to the Customer or an entity controlled by the same controlling entity as the Customer within the meaning of the Act no. 90/2012 Coll., Business Corporations Act.

23. Information security, non-disclosure, data protection, personal data protection

- 23.1 The Provider undertakes not to disclose any information and facts which it learns in connection with implementation of the Contract and which are not a part of the public domain, and to use them solely for fulfilment of the Contract. In this context it is not decisive whether the information in question was explicitly marked with such words as "sensitive", "confidential" or with a similar word. The Provider also undertakes not to provide this information to any third person. This obligation of non-disclosure shall be valid regardless of the term of the Contract, which means also for the time after the termination of the Contract. The Provider undertakes to maintain confidentiality especially with regard to the data concerning the clients of the Customer or the clients of the company which is, in relation to the Customer, the controlling entity or an entity controlled by the same controlling entity as the Customer within the meaning of the Act no. 90/2012 Coll., Business Corporations Act, if it learns such information in connection with implementation of the Contract. This obligation of non-disclosure concerns especially the following data in connection with production, delivery and distribution of energy commodities:
- Any data identifying a client as a natural person or legal entity, such as first name and surname or commercial name, date of birth, birth number or administrative id. number, address of the living place or place of business
 - Data concerning the point of consumption, data relating to the client's consumption history, data relating to the consumption chart of the client's point of consumption
 - Data specifying who the client's Supplier is
 - Data concerning solvency or other

This shall apply also to the following data concerning the transmission grid of E.ON Distribuce, a.s., admin. id. no. 28085400, registered office F. A. Gerstnera 2151/6, České Budějovice 7, 370 01 České Budějovice, registered at the Regional Court in České Budějovice under the file ref. no. B 1772 (hereinafter referred to as "E.ON Distribuce, a.s.")

Data concerning the critical infrastructure of the manager "E.ON Distribuce, a.s.", within the meaning of the Act no. 240/2000 Coll., on crisis management ("the Crisis Act"),

Data concerning the critical information infrastructure of the manager "E.ON Distribuce, a.s.", within the meaning of the Act no. 181/2014 Coll., ("the Cybernetic Security Act"),

Data concerning the information and communication systems ensuring operation of the transmission grid of E.ON Distribuce, a.s.,

Data concerning physical security of buildings and elements of the transmission grid of E.ON Distribuce, a.s.

The non-disclosure obligation shall not apply to the information which was already provably known to the Provider on its disclosure or provision.

23.2 The Provider undertakes to enable access to the information which it learns in connection with implementation of the Contract only to those of its employees and Subcontractors who were entrusted with provision of performance within the framework of fulfilment of the Contract and who have undertaken, in a provable way, to maintain confidentiality at least in the extent determined by these VNP for the Provider. The Provider is obliged to document the transfer of this obligation at the Customer's request. All the data, facts, information or news handed over by the Customer to the Provider or to its Subcontractors shall remain, if they are subject to ownership right, property of the Customer. The information handed over by the Customer to the Provider or to its Subcontractors must be returned to the Customer after implementation of the Contract, in a complete form without any special reminder, at the Customer's request or even without its request, no later than on the expiration of the period of limitation for claims from defects, or it is necessary to destroy them according to the Customer's decision, unless it is in contradiction with the time periods specified by legal regulations for the archiving of such documents.

23.3 The Provider is obliged to comply with legal provisions concerning data protection, especially personal data protection pursuant to the Act no. 101/2000 Coll., and to ensure and monitor its compliance. It is furthermore obliged

to impose these obligations, on a contractual basis, on all persons used by it for implementation of the Contract, which it is obliged to prove on the basis of the Customer's request. The Customer is authorised to issue binding instructions to the Provider in the field of data protection.

23.4 In case that the Provider is to perform, in connection with implementation of the Contract, any processing of personal data, it is obliged at first to make a Contract on Personal Data Processing with the corresponding data controller or with the processor of such personal data, in which it is to determine and agree, within the meaning of Section 6 of the Act no. 101/2000 Coll., upon especially the scope and purpose of personal data processing and appropriate organisational, personnel and technical guarantees of protection of this personal data. The Customer is authorised to verify, at any time, whether the Provider complies with the obligations in the field of data protection and whether the data processing takes place in accordance with its instructions and whether the specified technical and organisational measures for data protection are observed. The Provider is obliged to provide the Customer with information and necessary access rights for such verification.

23.5 After the end of the contractual relation, the Provider can continue to store the entrusted personal data in a computer memory or in another form, if further storing is required by legal or contractual time periods for storing. Otherwise the grounds with personal data shall be either returned to the Customer or destroyed by the Provider in accordance with the Data Protection Act.

23.6 The Provider shall inform the Customer, without any delay and on any indication of a breach of obligations in the field of data protection imposed on it within the meaning of the present Article no. 23 of the VNP, especially on a breach of the obligations in the field of personal data.

23.7 The Customer can, fully or partially, withdraw from the Contract if the Provider fails to comply with its obligations in accordance with the present Article no. 23 of the VNP, even without provision of an additional reasonable time period for removal of the breach of these obligations. The Provider shall be responsible towards the Customer for all the damage arising to the Customer from the breach of the Provider's obligations.

23.8 The termination of the Contract shall be without prejudice to the obligations implying from Clauses 23.1 to 23.7 of the present VNP.

23.9 The Customer reserves the right to pass the data of the Provider and of its Subcontractors acquired on the basis of the Contract or in connection with the company which is, towards the Customer, the controlling entity or an entity controlled by the same controlling entity as the Customer within the meaning of the Act no. 90/2012 Coll. (Business Corporations Act), and to continue to store this data

even after termination of the Contract for the purpose of issuing other possible orders.

23.10 The Provider undertakes to maintain confidentiality with regard to the information stated in Clause 23.1 of the VNP and to handle this data in such a way that it is not used in an unauthorised way, disseminated, published or otherwise disclosed or misused. For the purpose of fulfilment of this undertaking of the Provider it shall adopt appropriate technical and organisational measures corresponding to the given classification of the information and handling thereof, especially:

It shall limit the access to the information only to persons taking part in implementation,

It shall not store, register, copy or otherwise maintain the information unless it is necessary for implementing cooperation with the Client,

Any carriers of the information (e.g. documents or flash disks, as well as files and e-mail messages) shall be protected against misuse,

It shall introduce other measures specified by the Client's instructions (especially within the meaning of requirements of the ISO 27001 standard).

23.11 In case of important changes during fulfilment provided on the basis of the Contract and/or in the setting up of security checks, the Client reserves the right to perform a review of evaluation and measures concerning the information security, and on the basis thereof to propose adequate changes in the Contract.

23.12 The Client reserves the right to perform a check (audit) of compliance with the requirements of the information security on the Provider's part and on the part of the Subcontractors used by the Provider for implementation of the Contract.

23.13 The Provider is obliged to inform the Client by e-mail, without any delay, about any breach of security of the information in consequence of a cybernetic security event (within the meaning of the Act no. 181/2014 Coll.), which has or can have a context with implementation of the subject matter of fulfilment. The contact information is stated on the web site www.eon.cz and/or in the current instructions of the Client.

24. Obligations of the Provider in connection with the Act no. 458/2000 Coll.

If the Provider acts, during implementation of the Contract, on behalf of a holder of the licence to electricity distribution or gas distribution or if it takes part otherwise in implementation of the rights and obligations of such holders of licences, whose scope is determined by the Act no. 458/2000 Coll., it is obliged to act in such a way that there is no breach of the rules determined by that Act on the basis of its acting or omissions, especially no breach of provisions of Sections 25a and 59a of that Act, for which the licence holder would be liable.

25. Reservation of assignment of rights and obligations from the Contract

The Customer reserves the right to assign all its rights and obligations from the Contract to other persons, especially to the companies which are, towards the Customer, the controlling entity or an entity controlled by the same controlling entity as the Customer within the meaning of the Act no. 90/2012 Coll. (Business Corporations Act). The Provider shall express its consent for this case with the transfer of rights and obligations from the Contract within the meaning of Section 1895(1) of the Act no. 89/2012 Coll., Civil Code, already now.

26. Publishing / advertising

The publishing and existence of the relations arising between the Provider and the Customer on the basis of the Contract, reference to cooperation of the Customer and the Provider or its Subcontractors, especially for advertising purposes, or provision of information on these facts to third persons, is only admissible with the express prior written consent of the Customer.

27. Jurisdiction

For the case that legal relations arising between the Customer and the Provider on the basis of the Contract or in connection therewith are legal relations with an international element, the Parties to the Contract have agreed that, all disputes arising in connection with the Contract, as well as the disputes concerning the validity of the Contract and consequences of its invalidity, shall be resolved in the proceedings conducted in the country of the Customer. Within the meaning of provisions of Section 89a of the Act no. 99/1963 Coll., Rules of Civil Procedure, as amended, the Provider and the Customer have furthermore agreed that the locally competent court for solution of any disputes arising from the Contract or in connection therewith shall be the District Court in České Budějovice.

28. Language of the Contract / applicable law

The language of the Contract shall be Czech. In case of a discrepancy between the Czech version and another language version of the Contract or its parts the Czech version of the Contract shall prevail. If legal relations arising between the Customer and the Provider on the basis of the Contract or in connection therewith are legal relations with an international element, these relations, as well as disputes concerning the validity of the Contract and consequences of its invalidity shall be governed by the laws of

the Czech Republic, with exclusion of application of conflict-of-laws rules as well as with exclusion of use of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 (Vienna Convention).

29. Written form

Any declaration and notices with legal importance which are handed in by the Provider to the Customer must be made in writing. E-mail messages do not meet, except for the exceptions regulated by Article 4 of the present VNP, the requirement of a written form within the meaning of the present VNP or within the meaning of the contracts made on the basis thereof. Changes in or additions to the present VNP shall require a written form. This principle shall apply also for the actual requirement of the written form.

30. Severability

Should individual provisions of the present VNP be or become invalid or unenforceable, it shall be without prejudice to the efficiency of the Contract as a whole and to efficiency of the other provisions. The Parties are obliged to replace any invalid / unenforceable provision from the beginning of its invalidity / unenforceability with another provision which is as close as possible to its economic purpose, while taking bilateral interests into consideration. The same principle shall apply also to any gaps in provisions of the Contract.

31. Changes in the Business Terms and Conditions

The present VNP, like other Business Terms and Conditions of the Customer, to which the Contract refers within the meaning of Section 1751 of the Act no. 89/2012 Coll. (together hereinafter referred to as "the Business Terms and Conditions"), are published by the Client on the web site:

http://logistika.eon.cz/cs/logistika/nakup_materialu_a_sluzeb.html

The Parties have agreed that the Client is authorised to unilaterally change and/or complete these Business Terms and Conditions. The Client, however, must inform the Provider about such possible changes in its Business Terms and Conditions, by a written notice sent to the Provider's address or by electronic mail to the e-mail address, both being stated in the header of the Contract. The updated version of the Business Terms and Conditions shall also be always available on the above mentioned web site. The Provider is authorised to express its disagreement with such a unilateral change in the Business Terms and Conditions of the Client, within 14 days from the date of delivery of the notice of the change, in the same way as the notice of the

change has been delivered to it, otherwise it shall be understood that it agrees with the change. In the case that the Provider expresses its disagreement with the change in the Business Terms and Conditions of the Client, the Client is authorised to withdraw from the Contract in a reasonable time period.

32. Other provisions

The Provider hereby declares that it assumes the risk of change in circumstances after the concluding of the Contract within the meaning of provisions of Sections 1765 and 1766 of the Act no. 89/2012 Coll., Civil Code.

The Customer and the Provider have agreed that the provisions of Sections 1799 and 1800 of the Act no. 89/2012 Coll., Civil Code, shall not be used.

The Provider is not authorised to set off any of its receivables, whether existing or future, on the basis of and in connection with the Contract without the prior written consent of the Customer.

The time of fulfilments arising on the basis of or in connection with the Contract is determined to the benefit of the Customer.

The Customer and the Provider declare that the Contract represents an entire agreement on all their prerequisites and that there are not any prerequisites which the Customer and the Provider would not agree upon in the Contract. There are not any other written, verbal or implied provisions between the Customer and the Provider, concerning the subject matter of the Contract, which would not be stated in the Contract.

The Customer and the Provider declare and confirm that they have mutually informed each other about all factual and legal circumstances concerning the subject matter of fulfilment of the Contract, as well as any other factual and legal circumstances, which are or must have been known to them, and that they have convinced themselves about the possibility of concluding the Contract in a valid way, they mutually provided the information on all terms and conditions under which they are ready to conclude the Contract and that their intent to conclude the Contract is fully obvious to them.

The Contract can only be changed or completed by way of written amendments approved by both the Parties.

The Parties have agreed that if any fact is not expressly regulated in the Contract or in the Business Terms and Conditions forming a part of the content of the Contract, the established practices of the Parties and business customs respected in general or in the sector in question shall prevail over provisions of the Act no. 89/2012 Coll., Civil Code.