

## 1 Entering into a Contract

- 1.1 These general terms and conditions (hereinafter referred to as "GTC") of MERO ČR, a.s. (hereinafter referred to as the "Client") regulate the contractual relationship between the Client and the other contractual party (hereinafter referred to as the "Contractor"). The contractual relationship is concluded only on the basis of written orders. These GTC are an integral part of the order/contract (hereinafter referred to as the "Contract") entered into by and between the Contractor and the Client. Deviating provisions in the Contract shall take precedence over the provisions of these GTC.
- 1.2 The provisions of these GTC relating to the execution of the Work shall also be reasonably applied to services or other performance to which Article 2586 et seq. of the Civil Code cannot be applied.

## 2 Subject of Work and Place of Performance

- 2.1 The Contractor shall undertake to perform, at its own expense and risk, in accordance with the procurement documents and/or the Contractor's bid for a public contract (hereinafter referred to as the "Contractor's Bid"), and under the conditions set by the contract, these GTC, and the documents to which they refer, the work specified in the Contract (hereinafter referred to as the "Work"). The Client shall undertake to take over the properly executed Work and, subject to compliance with the terms and conditions of the Contract, to pay the Contractor the agreed price of the Work.
- 2.2 Unless otherwise agreed in the Contract, the Work shall include, in addition to the supplies and works specified in the Contract.
  - a) Elaboration of workshop drawings necessary for the execution of the Work and are not attached to the Contract, including obtaining the approval of the Client,
  - b) Production of all equipment specified in the Contract,
  - c) Delivery of all parts, materials, and equipment necessary for the execution of the Work,
  - d) Construction and installation of all equipment, including necessary work and performance,
  - e) Transportation to the place of execution of the Work,
  - f) Provision and delivery of attestations and certificates of all materials and equipment,
  - g) Performance of tests and testing of the functioning of the Work, including preparation of test reports,
  - h) Provision of documentation of the actual state of the Work,
  - i) Handing over all instructions for operation and maintenance, certificates and attestations relating to the Work or its individual components,
  - j) Performance of all assembly works, elaboration of all drawings that are not supplied by the Client, provision of permits for:
    - permission to enter the land, which according to the Contract is not provided by the Client,
  - k) Determination of the precise location of underground utilities and equipment that will or may be affected by work performed during the execution of the Work.
- 2.3 The Contractor shall undertake to hand over the Work at the place of execution of the Work.
- 2.4 The Contractor shall undertake to perform all deliveries and works necessary for the full and complete completion of the entire Work. The cost of all supplies, performance, and labor required to complete the entire Work fully and completely shall be included in the price of the Work.
- 2.5 The Client shall be the owner of the completed Work. The Client shall acquire title to all materials, equipment, facilities, and supplies provided by the Contractor in accordance with the Contract, which will become part of the work. Ownership of all such materials, equipment, facilities, and supplies shall pass to the Client on:
  - (a) the date on which payment is made for such materials, equipment, facilities, and supplies, or
  - (b) the date on which the said materials, equipment, facilities, and supplies are delivered to the place of performance, whichever is earlier.
- 2.6 The Contractor shall bear the risk of damage to the Work, until the handover and acceptance of the Work without defects and unfinished works, i.e., until the defects of the Work specified in the handover and acceptance protocol are removed.

## 3 Obligations of the Contractor

- 3.1 The Contractor shall be obliged, at its own expense, to comply with or ensure compliance with the following during the execution of the Work:
  - a) Generally binding legal regulations,
  - b) Valid Czech technical standards and/or EN standards and recognized technical rules,
  - c) Fire safety regulations (hereinafter referred to as "FS"),
  - d) All legal and other generally binding legal regulations ensuring occupational health and safety (hereinafter referred to as "OHS"),
  - e) Legal regulations in the field of the handling of waste, hazardous materials, chemical substances and preparations, and legal regulations for air protection,
  - f) Internal regulations of the Client:
    - **SB-GR-50 General safety regulation of MERO ČR, a.s.**, which is published on the Client's website at <http://www.mero.cz/soubory-ke-stazeni/>,
    - **Rules for drawing documentation**, which are published on the Client's website at the address <http://www.mero.cz/soubory-ke-stazeni/>, any other internal regulations of the Client with which it has been familiarized,
  - g) Regulations for equipment that is affected by the execution of the Work, from the Client and/or the owner and operator of this equipment. Unless otherwise agreed, these regulations will be provided by the Client to the Contractor when entering into the Contract,
  - h) Conditions stipulated in the work permit issued by the Client in accordance with the Client's internal directive **SB-GR-02 Work permits**, which is published on the Client's website at <http://www.mero.cz/soubory-ke-stazeni/>,
  - i) Opinions and decisions of state administration bodies, local government, or other relevant bodies,
  - j) Relevant technological procedures,
  - k) Instructions of the Client regarding the method of execution of the Work,
  - l) Instructions of the manufacturers of supplies for the Work,
- 3.2 The Contractor shall hand over the originals of the following documents to the Client with its invitation to the Client to accept the work at the latest:
  - a) Drawing of the actual state of the work 1x in printed form, i.e., all deliveries and works performed by the Contractor in accordance with the Contract.
  - b) Certificates, test reports, declarations of conformity, material certificates, revision reports, acceptance reports and other documents according to the Contract.
  - d) Drawings and other documents according to the Contract shall be delivered 1x in printed form and 1x in digital form. Drawings must be supplied on CD-ROM in AutoCAD format (dwg, dgn.), texts in MS Word, and tables in MS Excel.
  - e) Other documents related to the Work.
- 3.3 The Contractor shall not be entitled to assign the execution of the Work or part(s) thereof to a third party without the prior written consent of the Client. In the event that the Contractor uses third parties in the performance of the Contract, it shall be liable as if it executed the Work itself.

## 4 Deadline for Completion

- 4.1 The Contractor is obliged to complete and hand over the Work within the deadline specified in the Contract.

## 5 Price and Payment Conditions

- 5.1 The price for the Work has been agreed upon by the Contracting Parties in the Contract (hereinafter referred to as the "Price of Work"). Unless agreed upon otherwise, the Price of Work (including unit prices) shall be fixed and unchangeable.
- 5.2 The Price of Work shall include all costs necessary for the proper and timely execution and completion of the Work and the Contractor's profit.
- 5.3 The Contractor shall be entitled to invoice the Price of Work after the handover and acceptance of the Work without defects and unfinished works, i.e., after removing any defects stated in the handover and acceptance protocol.
- 5.4 The maturity of the invoice (tax document) shall be 30 calendar days from delivery to the Client. The invoice must be accompanied by a handover and acceptance protocol of the work, or a report confirming the removal of all defects with which the work was accepted.
- 5.5 The invoice (tax document) shall be delivered by the Contractor electronically to the email address [fakturace@mero.cz](mailto:fakturace@mero.cz), no later than the fifth (5<sup>th</sup>) calendar day of the month following the month in which the performance was provided. The Contractor shall be authorized to send only one invoice per calendar month, regardless of the number of orders in a given month. The invoice (tax document) must meet the requirements of generally binding legal regulations, in particular the requirements of Act. No. 235/2004 Coll., on value added tax, as amended, and requirements of these GTC, and the Contract. The Client shall be entitled to return to the Contractor a tax document that does not meet the requirements of the GTC, the Contract, or the requirements of Act. No. 235/2004 Coll., on value added tax, as amended. Upon delivery of a corrected or new tax document to the Client, a new maturity shall begin.
- 5.6 Payments shall be made in cashless form to the Contractor's bank account specified in the Contract. This bank account must be a managed bank account with a domestic payment service provider and published in a way that enables remote access pursuant to Article 96(2) of Act No. 235/2004 Coll., on value added tax, as amended.
- 5.7 In the event that pursuant to Article 109 of Act No. 235/2004 Coll., on value added tax, as amended, the Client as the recipient of the performance will be liable for unpaid tax on this performance, the Client shall be entitled to pay the value added tax on behalf of the Contractor directly to the Contractor's tax office for the purpose of a special method of securing tax pursuant to Article 109a of Act No. 235/2004 Coll., on value added tax, as amended. The Client shall inform the Contractor in writing of the payment. By paying the tax in this way, the Contractor's claim against the Client shall be reduced by the relevant amount of tax, and the Contractor shall not be entitled to request payment of this amount from the Client.

## 6 Contractual Penalties and Interest for Delays

- 6.1 In the event of a delay by the Contractor in completing and handing over the Work, the Client shall be entitled to charge the Contractor a contractual penalty of 0.2% of the price of the Work for each commenced day of delay.
- 6.2 In the event of a delay by the Contractor in removing a defect in the Work specified in the handover and acceptance protocol/complaint about defects in the Work, the Client shall be entitled to charge the Contractor a contractual penalty of 1,000 CZK for each defect and each commenced day of delay.
- 6.3 In the event of a delay by the Client in payment of the monetary obligation arising from the Contract, it shall be obliged to pay the Contractor contractual interest for the delay in the agreed amount of 0.02% of the amount due for each commenced day of delay.
- 6.4 The Contractor shall undertake to pay a contractual penalty for non-compliance with safety regulations and the use of all personal protective equipment, of 5,000 CZK for each individual case of violation. Violations shall be recorded in the construction/installation logbook by the Client's representative. This amount may be offset against the total price of the Work.
- 6.5 The right to compensation for incurred damage shall not be affected by the provision on contractual penalties. Contractual penalties and interest for delays shall be payable within 15 days of receipt of the invoice.

## 7 Completion, Handover and Acceptance of the Work

- 7.1 For the purposes of the Contract, the Work shall be considered completed and handed over on the day of signing the handover and acceptance protocol, which shall contain a statement that the Client accepts the work, by the representatives of both Contractual Parties authorized to hand over and accept the Work (hereinafter and above referred to as the "**Handover and Acceptance Protocol**"). In the event that the work is accepted by the Client with defects, a list of these defects shall be part of the Handover and Acceptance Protocol and the date(s) for their removal shall be stated. If the Work is accepted by the Client with defects or unfinished works, for the purposes of the Contract, the Work shall be considered properly completed on the date of signing the protocol on the removal of detected defects and unfinished works by the representatives of both Contractual Parties authorized to hand over and accept the Work (hereinafter and above referred to as the "**Protocol on the Removal of Defects and Unfinished Works**").
- 7.2 The Contractor's liability for defects in the Work shall not be affected by signing the Handover and Acceptance Protocol and/or the Protocol on the Removal of Defects and Unfinished Works.

## 8 Warranty Period

- 8.1 Unless agreed upon otherwise, the warranty period for the work shall be 24 months from the handover and acceptance of the work without defects and unfinished works.

## 9 Complaints and Removal of Defects

- 9.1 The Client shall be obliged to submit a complaint about defects in writing to the Contractor. In the written complaint, the defects must be described, or it must be stated how they appear. Furthermore, in the complaint, the Client shall indicate how it requests to remedy the claimed defects.
- 9.2 In the event of the repeated occurrence of the same defect, which is removed with the same technology or material, the Client shall be entitled to request a change in the technology or material used to remove the defect.
- 9.3 The Contractor shall be obliged to notify the Client in writing within 4 days of receiving the complaint whether it accepts the complaint or not, whether it will remove the defect, and when it will begin to remove the defect. In the event that it does not do so, it shall be deemed to have accepted the Client's complaint. The Contractor shall be obliged to remove the defect within the period agreed upon by the Contracting Parties, and if this period is not agreed upon, a different period corresponding to the nature and scope of the claimed defect.
- 9.4 In the event that the Contractor does not begin to remove the defect in the Work within the warranty period without undue delay, but no later than within 7 days from the date of receipt of the Client's complaint about the defect in the Work (regardless of whether or not the complaint is recognized as justified) or if the defect is not removed within the deadline specified in Article 9.3 of the GTC, the Client shall be entitled, at its discretion, to remove the defect in the work itself or to have it removed by another third party, at the expense of the Contractor. When removing the defect in the work itself, the Contractor shall be obliged to proceed quickly, efficiently, and with the maximum possible effort that can be required, otherwise it may be liable to the Client for the damage it may cause. In the event that the defect in the Work is removed by the Client or a third party proposed by it, this fact shall not affect the warranty provided by the Contractor according to the Contract.
- 9.5 The guarantee for the quality of the work shall also apply to the part(s) of the work already executed and accepted by the Client, in the event of termination of the Contract on any grounds.
- 9.6 The provisions of this article shall remain valid even in the event of termination of the Contract.

## 10 Rights and Obligations of the Contracting Parties Resulting from a Force Majeure

- 10.1 The Contracting Parties shall be relieved of the liability for partial or complete non-fulfillment of contractual obligations due to circumstances/events of a force majeure.

## 11 Withdrawal from the Contract

- 11.1 The Contracting Parties shall be entitled to withdraw from the Contract in accordance with the relevant provisions of the Civil Code.
- 11.2 The Client shall be entitled to withdraw from the Contract in the following cases:
- Delay by the Contractor in completing and handing over the work by more than 15 days,
  - Delay by the Contractor in meeting the deadline for partial performance (if agreed) by more than 10 days,
  - In the event that a proposal is filed against the Contractor to initiate insolvency proceedings pursuant to Act No. 182/2006 Coll., on bankruptcy and its resolution (Insolvency Act), as amended, regardless of whether the bankruptcy is decided or not
  - The Contractor entrusts the execution of the Work or part(s) thereof work to a third party without the prior written consent of the Client,
  - The Contractor does not perform the Work properly and does not remove notified defects even within the deadline provided by the Client.
- The Client shall also be entitled to withdraw from the Contract in the event that the Contractor is subject to international sanctions according to the legal regulation effective after the conclusion of the Contract.
- 11.3 By withdrawing from the Contract for Work, all rights and obligations of the Contracting Parties from the Contract for Work shall cease, unless otherwise stipulated in these GTC, as of the effective time of withdrawal (*ex nunc*), and by withdrawing the Contracting Parties shall not be obliged to return any performance provided to each other prior to withdrawal.

## 12 Other Provisions

- 12.1 The rights and obligations of both Contracting Parties not expressly regulated in the Contract shall be governed by the relevant provisions of the Civil Code and other generally binding legal regulations of the Czech legal system. This provision shall remain effective even after the termination or expiration of the Contract.
- 12.2 These GTC and the Contract, together with all documents to which it refers, represent the entire agreement by and between the Contracting Parties with respect to its subject matter, and supersede and annul any and all prior proposals, agreements, undertakings, representations, warranties, assurances, and understandings of any nature, whether written or oral, relating to this subject. The Contract may be amended based exclusively on the agreement of the Contracting Parties, in the form of written and ascendingly numbered addenda with the signatures of the Contracting Parties on the same document.
- 12.3 The Contractor hereby declares that it is authorized and fully qualified to enter into the Contract and has received all the necessary approvals from its authorities and third parties that it needs to conclude and properly fulfil the Contract. The Contractor also hereby declares that there it has no obligation towards another person or claim of the state, tax office or other state or local government body that would prevent it from entering into and fulfilling the Contract.
- 12.4 The Contractor shall not be entitled to assign its rights or transfer its obligations arising from the Contract with the Client without the prior written consent of the Client.
- 12.5 In the event that the Contracting Parties cease to exist, all rights and obligations arising from the Contract shall pass to their legal successors.
- 12.6 The Client hereby notifies the Contractor that, pursuant to Act No. 340/2015 Coll., on special conditions for the effectiveness of certain contracts, the publication of these contracts and on the Register of Contracts (Act on the Register of Contracts), as amended, by the person obliged to publish the contract in the Register of Contracts, or that in the sense of Act No. 134/2016 Coll., on public procurement, as amended, it is the public contracting authority obliged to publish the Contract, including its amendments and additions, the price actually paid for the performance of the public contract, and the list of subcontractors of the supplier of the public contract.
- 12.7 The Contractor shall not be entitled to transfer its rights and obligations arising from the Contract to third parties without the prior written consent of the Client.
- 12.8 The Contracting Parties, as the controllers of personal data in the sense of the General Regulation on the Processing of Personal Data (EU) 2016/679 ("GDPR"), shall process personal data obtained from the other Contracting Party and their representatives in the context of negotiations for the conclusion and performance of this Contract in accordance with the rules set out in the GDPR. The subject of personal data processing shall be the personal data of the other Contractual Party, its representatives, employees, collaborators, or members of statutory bodies ("Data Subjects"), i.e., (i) identification data (in particular first name and surname, position) and (ii) contact data (in particular email address and phone number). The personal data of the Data Subjects shall be processed by the Contracting Parties to the extent necessary for the fulfillment of their obligations under the Contract, the exercising of their rights, the fulfillment of legal obligations, and related commercial communications. In connection with the processing of personal data of the Data Subjects, the Contracting Parties declare that they will (i) process personal data in accordance with the requirements of the GDPR; (ii) enable the Data Subjects to exercise their rights under the GDPR; and (iii) ensure the confidentiality of persons processing personal data. More detailed information on the processing of personal data by the Client may be found at <https://mero.cz/o-spolecnosti/ochrana-osobnich-udaju/>.

- 12.9 The Client hereby notifies the Contractor that it is subject to Act No. 181/2014 Coll., on cyber security and on the amendment of related laws (the Cyber Security Act), as amended, and implementing legislation. In this context, the Contractor acknowledges that the Client is obliged to comply with the obligations arising from the aforementioned legal regulations.
- 12.10 The Contractor shall be obliged to inform the Client about security incidents or other extraordinary events that occur in its information systems and are directly related to the subject of the Contract, and which could, as a result, lead to a breach of the security of the Client's information and/or to a threat to its protection.
- 12.11 The Contractor shall assume the risk of a change in circumstances pursuant to Article 1765(2) of the Civil Code and Article 2620(2) of the Civil Code.
- 12.12 The Contractor shall undertake to protect and not share, publish, or make available information (regardless of the form in which the information is provided) that it obtains from the Client in connection with the Contract without the prior written consent of the Client. The Contractor shall be entitled to use the confidential information obtained from the Client only for the purposes of fulfilling the Contract.
- 12.13 These GTC shall become effective as of 17 May 2022.