



I. Definitions of Certain Terms

- (a) **"Business Terms and Conditions"** shall mean these business terms and conditions that are part of the Contract;
- (b) **"Civil Code"** shall mean Act No. 89/2012 Coll., the Civil Code, as amended;
- (c) **"Contact Persons, Addresses and Numbers"** shall mean Purchaser's and Contractor's employees authorised to act in matters relating to the Contract except for entering into the Contract and/or amendments thereto or its terminating/cancelling, and addresses and numbers to which facts and information connected with the Contract shall be communicated, i.e. (i) the name of a Contact Person, (ii) telephone number, (iii) electronic address (email address), and (iv) fax number;
- (d) **"Contract"** shall mean a separate contract for the provision of the Supply entered into by and between the Purchaser and the Provider executed based on an Order or without an Order;
- (e) **"Contracting Parties"** shall be the Purchaser and the Provider;
- (f) **"Copyright Act"** shall mean Act No. 121/2000 Coll., On Copyright, as amended;
- (g) **"Corruption Practices"** shall mean taking or offering a bribe or indirect bribery as envisaged in Act No. 40/2009 Coll., the Criminal Code, as amended;
- (h) **"Documentation"** shall mean any and all documentation relating to the provision of the Supply under the Contract (including, without limitation, studies, analyses, specifications, installation procedures, operational instructions, user's techniques under standard and non-standard modes, description of communication and testing procedures, user's guides and manuals, certificates, declarations of conformity, and other information) that the Purchaser may reasonably require;
- (i) **"Entities"** shall mean Provider's employees, associates, members of its statutory or supervisory body, sales representatives or any entity controlled by the Provider;
- (j) **"Handover Protocol"** shall mean a written document issued by the Purchaser, by which the Purchaser confirms that the Supply has been duly provided pursuant to the Contract and without which the Provider shall not be entitled to invoice the Price;
- (k) **"Order"** shall mean a Purchaser's proposal for the Contract, which shall be executed as soon as the Provider accepts the Order. The Order must always contain at least the following information: (i) a description of the Supply, (ii) the location of the Supply, (iii) the deadline of the Supply, and (iv) the Price;
- (l) **"Provider"** shall mean a person specified as such in the Order and/or Contract executed pursuant to Section II of the Business Terms and Conditions. For the purpose of the Business Terms and Conditions, the Provider shall also mean the Contractor, Seller or another contractual partner of the Purchaser, as specified in the Order and/or Contract executed pursuant to Section II of the Business Terms and Conditions;
- (m) **"Price"** or **"Fee"** shall mean the price/fee specified in the Contract, which should be paid for the Supply;
- (n) **"Purchaser"** shall mean Komerční banka, a.s., registered office at Praha 1, Na Příkopě 33 čp. 969, PSČ 114 07, IČO (Company ID): 4531 7054, VAT Payer No.: CZ699001182, entered into the Commercial Register kept by the Municipal Court in Prague, Section B, Insert 1360 and, further, VN 42, s.r.o., registered office at Václavské náměstí 796/42, Nové Město, 110 00 Praha 1, IČO (Company ID): 02022818, VAT Payer No.: CZ699001182, entered into the Commercial Register kept by the Municipal Court in Prague, Section C, Insert 214638, and KB Real Estate, s.r.o., registered office at Václavské náměstí 796/42, Nové Město, 110 00 Praha 1, IČO (Company ID): 24794015, VAT Payer No.: CZ699001182, entered into the Commercial Register kept by the Municipal Court in Prague, Section C, Insert 174791;
- (o) **"Specialist"** shall mean a person employed, hired or otherwise contractually engaged by the Provider, who personally provides the Services that are part of the Supply provided by the Provider. The Provider shall ensure that the Specialist shall always have the skills and expert knowledge required by the Contract. If the Provider is a natural person, he/she shall also be considered a Specialist;
- (p) **"Supply"** shall mean a supply (performance) of any kind and nature delivered by the Provider under the terms and conditions agreed in the Contract by and between the Contracting Parties, notwithstanding whether or not the Supply is an in kind supply and whether it is material or immaterial;
- (q) **"Working Hours"** will be from 9:00 to 17:30 hrs on working days, unless specified otherwise in the Contract.

II. Executing the Contract

1. Executing the Contract without an Order. In case that the Contract **is not** executed based on an Order, it shall be executed as soon as it is signed by both Contracting Parties.
2. Executing the Contract based on an Order.

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- 2.1 In case that the Contract *is* executed based on an Order, it shall be executed as soon as the Order is accepted by the Provider.
- 2.2 The Purchaser shall send the Order to the Provider by email.
- 2.3 The Provider shall be obliged to confirm to the Purchaser the acceptance of the Order by email, in accordance with Section XX of the Business Terms and Conditions, within 2 working days from the moment of its receipt; failing this, the Provider shall be considered not to have accepted the Order and the Contract shall not be considered executed, unless specified otherwise in Article II(2.5).
- 2.4 The Order delivered by electronic mail (email) shall be considered a written order by the Contracting Parties, even if sent without a certified electronic signature.
- 2.5 The Contracting Parties have agreed in accordance with the provisions of Sections 1743 and 1744 of the Civil Code that the Contract shall be deemed executed even without being accepted by the Provider in the manner described in Articles II(2.1) and II(2.3) above in case that (i) the Provider follows the Order, i.e. provides the Supply to the Purchaser, and (ii) the Purchaser accepts the Supply. The Contracting Parties have agreed that the terms and conditions set forth in the Order shall apply in full to the Contract executed in the manner described in this Article (e.g. including possible contractual penalties for the late delivery of the Supply in case that the Supply is not delivered by the deadline stated in the Order). If the Purchaser accepts the Supply after the delivery deadline stated in the Order, it shall not be construed as if the Purchaser has agreed to a later date of delivery.

III. Location and Deadline of Delivering the Supply

1. The location of and deadline for delivering the Supply shall be stated in the Contract. If no location of delivering the Supply is stated in the Contract, the address of the Purchaser's registered office shall be considered the required delivery location.
2. The Provider shall be obliged to deliver the Supply to the Purchaser by the delivery deadline, during the Working Hours.
3. The Provider shall be obliged to alert the Purchaser in time and without any delay that the Supply may be delivered belatedly.

IV. Price

1. The Price shall be specified in the Contract.
2. The Purchaser shall be obliged to pay to the Provider the Price specified in the Contract.
3. The Price shall cover any and all costs incurred by the Provider in connection with the provision and delivery of the Supply.

V. Handing Over and Acceptance of the Supply

1. The Purchaser shall accept the Supply from the Provider by issuing the Handover Protocol.
2. The Provider shall be obliged to deliver the Supply to the Purchaser free from any legal and physical defects, duly and in time.
3. The Purchaser shall not be obliged to accept the Supply unless it is free of any defects and arrears.
4. The Provider shall be obliged to hand over the Documentation to the Purchaser by the date of acceptance by the Purchaser of the Supply (at the latest).

VI. Property Rights; Transfer of the Danger of Damage to the Item

If the Supply consists in the purchase of a movable item and/or in the execution of a work, the property rights to the movable item and/or work, along with the danger of damage to the movable item and/or work, shall be transferred to the Purchaser starting from the moment of signing of the Handover Record by the Purchaser. The provisions of the foregoing sentence shall also apply in cases where the provision of a service results in a creation of a movable item.

VII. Warranty

1. If the Supply consists in the purchase of a movable item, execution of a work, or the provision of a service results in a creation of a movable item, the Provider shall give to the Purchaser a warranty for such a Supply. The

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Provider undertakes that the Supply provided under the Contract shall be suitable for the use for which it is intended by the Contract, in other words, for the usual purpose, throughout the warranty period, and shall retain the properties specified in the Contract, in particular those defined in the Documentation. If the Contract fails to specify certain properties of the Supply, the Provider pledges under the warranty granted to the Purchaser that the Supply provided under the Contract shall retain its usual properties throughout the warranty period.

2. The duration and beginning of the warranty period. The duration of the warranty period is specified in the Contract. If the Contract fails to specify the duration of the warranty period explicitly, it shall be 24 months starting from the moment of signing of the Handover Record by the Purchaser.

VIII. Liability for Defects in the Supply

1. Notification of defects in the Supply. If the Purchaser detects any defect in the Supply, it shall prepare a notification of the defects, which shall include information about the Contract under which the defective Supply has been provided, the date of detection of the defect, and an assessment of the defect by the Purchaser. The Purchaser shall deliver the notification to the Provider without any unnecessary delay along with a request for submitting a proposal of measures for mending the defects and for rectification.
2. Form of the notification of defects and manner of its delivering. The Purchaser shall deliver the notification of defects to the Provider in a written form, in any of the manners stated under Section XX of the Business Terms and Conditions.
3. Provider's duties; the proposal of measures for mending the defects. The Provider shall be obliged and undertakes to perform the below duties by the deadline stated in the Contract or, as the case may be, within 2 working days from the receipt of the notification of defects as per above Articles 1 and 2:
 - a) Arrive at the place specified by the Purchaser in order to examine the Supply and analyse the defects reported by the Purchaser in the notification of defects, and propose specific measures for mending the defects in the Supply by the said deadline, or
 - b) Report to the Purchaser a proposal of specific measures for mending the defects in the Supply at the Provider's cost.
4. Deciding on the claims arising from the liability for the defects; determining the manner and deadline for mending the defects. The decision-making with regard to the claims arising from the liability for the defects in the Supply and determining the manner in which the detected defects should be mended shall be solely on the Purchaser's discretion and the Purchaser shall not be bound by the Provider's proposals. The Purchaser shall be obliged to notify the Provider in writing, within 5 working days from the delivery of the Provider's notification as per Article 3, whether the Purchaser:
 - a) Agrees with the measures for mending the defects in the Supply suggested by the Provider, in which case the Purchaser shall set a deadline for mending the defects in the Supply, or
 - b) Disapproves of the measures for mending the defects in the Supply suggested by the Provider, in which case the Purchaser shall set the manner of and deadline for mending the defects in the Supply, or
 - c) Asserts another claim arising from the liability for the defects in the Supply as per Article 5 below instead of demanding that the defect in the Supply should be mended.

If the Provider makes default in performing his/her/its duties as per Article 3, the Purchaser shall be entitled to decide on the claim arising from the liability for the defects and/or on the specific measures for mending the defects and set the 5-day deadline starting from the date at which the period of time allowed for performing the duties set out in Article 3 above shall have elapsed in vain. The manner of and deadline for mending the defects stipulated by the Purchaser under paragraphs (a)(b) and the decision on the claims arising from the liability for the defects as per paragraph (c) shall be binding for the Provider.

5. Claims arising from the liability for defects. Notwithstanding the nature of the specific defect and the gravity of the breach of the Contract caused by the occurrence of the defect, the Purchaser shall always be entitled to:
 - a) Demand the mending of the defects by providing a replacement Supply for the deficient one and/or delivering the missing Supply,
 - b) Demand the correcting of legal defects,
 - c) Demand a repair of the Supply by mending the defects, if they can be mended,
 - d) Demand a reasonable discount on the Price, which shall be at least 15% of the Price,
 - e) Cancel the Contract,
 - f) Examine the Supply by itself or through the agency of another person at the Provider's cost and, as if necessary, according to Provider's instructions; take necessary measures to detect the defects; sort/repair them; or procure a replacement Supply, without such measures taken by the Purchaser having any effect on the warranty for the provided Supply. In that case, the Provider undertakes to compensate the Purchaser for incurred costs in full and the Purchaser shall be obliged to substantiate the costs incurred as per the foregoing sentence and maintain records from which the defects in the Supply shall be evident. The Purchaser shall have an exclusive right to decide between the above claims.

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6. Subsequent deciding on the claims arising from the liability for the defects. If it later turns out that the defects in the Supply are irreparable or the mending/repair should be unreasonably costly, the Purchaser may claim a replacement Supply or assert another claim arising from the liability for the defects as per Article 5 above, as long as the Purchaser informs the Provider about such a decisions without any unnecessary delay after the later has notified the former of the irreparability or the unreasonable cost.
7. Failure to mend the defects in the Supply. If the Purchaser asserts the claim arising from the liability for the defects as per Article 5 (a)(b)(c) above and the Provider fails to mend the defects in the Supply in the manner and by the deadline stipulated by the Purchaser, or if the Provider informs the Purchaser about his/her/its unwillingness to mend the defects before such a deadline, the Purchaser shall be entitled to:
 - a) Cancel the Contract, or
 - b) Assert any other claim as per Article 5 above.
8. Non-payment of the Price until the mending of the defects. The Purchaser shall not be obliged to pay to the Provider the yet unpaid Price until all the defects in the Supply are mended.
9. The Purchaser shall be entitled to claim with the Provider its rights arising from the deficient Supply at any time after the defects are detected, for the period of 3 years from the moment of signing of the Handover Record by the Purchaser, or throughout the duration of the warranty period, if warranty was granted, and to claim them before court. The Provider shall not be entitled to object to a belated assertion of the Purchaser's rights arising from the deficient Supply as long as the Purchaser has asserted them during the period of time stated in this Article.

IX. Payment Conditions

1. The Purchaser shall be obliged to pay to the Provider the Price as per a tax document (invoice).
2. The Provider shall not be entitled to issue a tax document (invoice) before the date at which the Handover Report shall be signed by the Purchaser. This date shall also be considered the date of repeated taxable supply.
3. Particulars of the tax document. Copies of Handover Records confirmed by the Purchaser and the number of the Contract/Order, based on which the Provider has provided the Supply, shall be part of the tax document (invoice). If the Supply consists in construction or assembling works defines in Section 92(e) of Act No. 235/2004 Coll., on the Value Added Tax, as amended (hereinafter the "**VAT Act**"), the Provider shall be obliged to state in the tax document (invoice) its categorizing in compliance with the CZ-CPA Production Classification numeric code 41 to 43 effective as of 01 01 2008. In accordance with the VAT Act, the recipient of such a taxable delivery shall pay the tax for the taxable delivery.
4. Due date of the Price. Unless the due date of the Price is specified in the Contract, the Price as per the tax document (invoice) shall become due and payable within 30 days from the date of its delivery to the Purchaser.
5. Returning the tax document. In case that the tax document (invoice) does not bear all relevant particulars and information required by law and/or Business Terms and Conditions, or the particulars and information are incorrect, or copies of relevant Handover Reports are not attached thereto, the Purchaser shall be entitled to send such document back to the Provider in the course of the original due period so that it can be corrected. The due period shall be suspended for that period of time and shall not be resumed until the properly made-out tax document is delivered to the Purchaser. If the last day of the due period falls on a Saturday, Sunday or public holiday, the next succeeding working day shall be considered the last day of the due period.
6. The Price under the Contract shall be considered to have been paid as soon as a relevant amount is deducted from the Purchaser's account to be transferred to the Provider's account.
7. Addresses for delivering the tax documents. The Provider can send the tax document (invoice) to the Purchaser either:
 1. Electronically at the email address: faktury@kb.cz in the format *.pdf provided that:
 - a) The subject of the message contains a trade name, hyphen and variable symbol/number of the invoice (e.g.: XY, s.r.o. - 12342009);
 - b) The message contains up to one (1) invoice in the format *.pdf and no another annex is attached;
 - c) The pdf invoice print resolution is 300 dpi;
 - d) The maximum size of the annex does not exceed 10 MB;
 - e) The email is not encrypted and does not contain any electronic signatures or message security features. The file may contain an electronic signature; or
 2. In a paper-based form at the address: Středisko sdílených služeb KB, P.O.Box 52, Praha 025, 225 52.
8. Real owner of the income. The Provider declares that he/she/it is a real owner of the income resulting from the Contract and the permanent residence/registered office address stated in the Contract is the Provider's current residence/registered office address decisive for determining his/her/its tax residence. Failing this, the Provider shall be obliged to notify the Purchaser immediately.

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9. EURO clause. In case that the financial debt arising under the Contract is payable in Czech crowns (CZK) and this currency shall be replaced with the single European currency (EURO) as the only lawful monetary unit of the Czech Republic at any time during the Contract's effective term, the Contracting Parties hereby agree that any and all payments to be made under the Contract as from the effective date of such replacement shall be expressed and paid in EURO without any further notice. The CZK/EURO exchange rate set by a relevant EU authority, or a relevant Czech authority, as the case may be, shall be used for the conversion.
10. Setting off the receivables. The Purchaser shall be entitled to set off unilaterally any of its receivables in respect of the Provider or receivables in respect of the Provider that have been assigned to the Purchaser, both due and not due, time-bared or not time-barred, against Provider's receivables arising under the Contract or the Business Terms and Conditions or in connection therewith. The Provider shall not be entitled to set off unilaterally its receivables arising under the Contract or the Business Terms and Conditions or in connection therewith against Purchaser's receivables.
11. Pledging the Provider's receivables. The Provider undertakes not to encumber with a lien (security interest) in favour of a third party his/her/its receivables in respect of the Purchaser arising under the Contract or the Business Terms and Conditions or in connection therewith in any manner.
12. Contractual default interest. In case that the Purchaser makes default in paying the Price, the Provider shall be entitled to claim from the Purchaser the default interest of 0.05 % of the outstanding amount per each commenced day of default.
13. Guarantee of VAT. The Contracting Parties have agreed that if, throughout the term of the Contract, the Purchaser shall have to perform obligations arising from standing guarantee for unpaid VAT pursuant to Section 109 of the VAT Act, the Purchaser shall be entitled to claim from the Provider the unpaid tax, which the Provider shall pay to the tax administrator, or – as the case may be – set off such a receivable in respect of the Provider against any of the Provider's receivables in respect of the Purchaser, or resort to another sort of a tax guarantee, i.e. pay the VAT directly to the Provider's tax administrator.
14. Provider – VAT non-payer. If the Provider is not a VAT payer, the tax document shall mean a bookkeeping document (invoice) as envisaged by relevant law, and the aforesaid provisions of the Business Terms and Conditions shall be applied accordingly.
15. Foreign Provider.
 - 15.1 If the Provider is incorporated outside the Czech Republic, he/she/in declares that he/she/it is a real owner of the income resulting from this Contract and this income is considered as his/her/its income according to the tax law of the country whose tax resident the Provider is. In case that these circumstances should change, the Provider shall be obliged to notify the Purchaser immediately.
 - 15.2 The Purchaser shall subtract the withholding tax or the tax security from the amount stated in the Contract in accordance with the Income Tax Act and shall deliver to the Provider a withholding tax certificate or tax security certificate for the purpose of tax settlement on the part of the Provider. The tax rate can be decreased in compliance with a double taxation agreement on the condition that the Provider proves his/her/its tax domicile.
 - 15.3 The Purchaser declares that it is registered in the Czech Republic as a value added tax (VAT) payer under the tax registration number CZ699001182. The Provider declares that he/she/it is registered as a value added tax (VAT) payer in the country specified in the Contract, under the number stated therein.

X. Subcontractors

The Provider shall be entitled to perform his/her/its duties through the agency of subcontractors whom the Purchaser shall have approved in writing beforehand. The Purchaser shall not deny its approval without a serious reason. The Provider shall be responsible for the Subcontractor's activities as if he/she/it had performed the duties himself/herself/itself.

XI. Term of the Contract; Termination / Cancellation of the Contract

1. Termination of the Contract. If the Contract is executed for an indefinite term and no period of notice is defined therein, either Contracting Party shall be entitled to terminate the Contract even without giving a reason. The 3-month period of notice shall run from the first day of the month following the delivery of the written notice to the other Contracting Party until the last day of the calendar month.
2. Cancellation of the Contract.
 - 2.1 Either Contracting Party shall be entitled to cancel the Contract in case that the other Contracting Party substantially breaches the Contract. The cancellation shall come into effect as at the date of delivery of the written notice to the other Contracting Party. A breach of the Contract shall be considered a substantial

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breach on the part of the Provider in case that the Provider (i) makes default in providing the Supply for a period longer than 10 working days; (ii) breaches the pledge of confidentiality set forth under Section XV of the Business Terms and Conditions; (iii) Provider's delay in mending the defects in the Supply longer than 5 working days. A breach of the Contract shall be considered a substantial breach on the part of the Purchaser in case that the Purchaser makes default in paying the Price for a period longer than 60 calendar days. A substantial breach of the Contract shall also occur if a delinquent Party fails to rectify a breach after having been called to do so in writing and having been granted a reasonable period of time specified in the call (not shorter than 30 calendar days) for such rectification.

2.2 The Purchaser shall also be entitled to cancel the Contract in case of:

- a) The commencement of criminal prosecutions against the Provider or against any of the Entities (in particular in connection with the Corruption Practices), or
- b) The Provider's final conviction for a criminal act, or
- c) Any of the Entities' final conviction for a criminal act in connection with the Corruption Practices, or
- d) A criminal punishment, protective or security measures being inflicted to the Provider, or any of the Entities in connection with the Corruption Practices.

3. Permanent claims and lasting provisions. The Contract shall cease to exist upon its cancellation. However, the following claims and provisions shall not expire upon the cancellation, termination or expiry of the Contract:

- a) Claims arising from the liability for the defects in the Supply;
- b) Provisions governing the liability for the defects;
- c) Provisions governing the confidentiality and personal data protection;
- d) Claims for damages for a breach of the Contract;
- e) Other claims arising under applicable law.

4. Tangible and intangible items, which have been delivered as part of the Supply, after the transfer or assignment of property rights. Unless stipulated otherwise in the Contract, if any tangible and intangible items have been delivered as part of the Supply and the property rights to them has been transferred or assigned to the Purchaser before the cancellation of the Contract:

- a) Shall remain in the Purchaser's ownership after the cancellation of the Contract. In that case, the Provider shall be entitled to financial recompense up to the value of the profit the Purchaser received from the use of such items. If the Purchaser has already paid the Price for the items delivered as part of the Supply, the Provider shall be obliged to pay back to the Purchaser the difference between the Price and the financial recompense as per the foregoing sentence. If the Price for the delivered items has not been paid before the cancellation of the Contract, the Purchaser shall be obliged to pay to the Provider the financial recompense minus the amount of Purchaser's possible claims, in particular of the contractual penalty and damages; or
- b) The Purchaser shall be obliged to give them back to the Provider upon the cancellation of the Contract and the Provider shall be obliged to pay back to the Purchaser the paid Price or a portion thereof that has already been paid.

5. Settlement between the Contracting Parties. In case of the cancellation of the Contract, the Contracting Parties shall be obliged to make settlement between them in the manner and by the deadlines set out by the Purchaser. The Purchaser shall be obliged to deliver to the Provider a written notification in which to lay down the manner of settlement between the Contracting Parties within 30 days from the effective date of the cancellation of the Contract. In the written notification of settlement, the Purchaser shall set forth:

- a) Mutual claims of the Contracting Parties arising upon the cancellation of the Contract and/or permanent claims that have arisen under the Contract, in particular the claims for the return of the tangible and intangible items delivered as part of the Supply, claims for the return of other deliveries/payments made under the Contract, claims for financial recompense, claims for contractual penalties, claims for damages, claims arising from the liability for the defects, etc.,
- b) Reasonable deadlines by which the Contracting Parties should perform their mutual duties arising from the settlement.

The manner of and deadlines for the settlement set out by the Purchaser shall be binding for the Contracting Parties. The Provider shall bear the costs incurred in connection with the cancellation of the Contract and possible return of the provided Supply.

XII. Anti-Bribery Clause

1. The Provider represents that, to his/her/its best knowledge, neither he/she/it nor the Entities have committed any Corruption Practices when acting on behalf of the Provider or Entities.
2. The Provider further represents that neither he/she/it nor the Entities are kept in the register of entities prohibited from any public procurement activity pursuant to Act No. 134/2016 Coll., the Public Procurement Act, as amended, nor shall entering into the Contract with the Provider cause a breach of law.

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XIII. Copyright (Author's Rights)

1. The Supply may include an intangible work protected by industrial property rights or other intellectual property rights (e.g. an author's work).
2. Employees' work. If the work has been created by Provider's employees, or is considered an employees' work pursuant to the Copyright Act, the Provider shall assign to the Purchaser the right to exercise property rights to such a work for consideration stated in the Contract, starting from the moment of signing of the Handover Record by the Purchaser. The Provider represents that he/she/it has obtained the consents from the authors to the assignment of the property rights to the work in order to make it possible to the Purchaser to use it in full, particularly as envisaged in Section 58 of the Copyright Act (e.g., the right of its publishing, modifying, processing – and also translating –, merging with another work, including into a collection of works, and presenting the employees' work to the public in its own name). The Provider is no longer entitled to exercise the aforesaid property rights.
3. Exclusive licence. If the Provider's representation as per Article 2 above turns out to be untruthful and/or the assignment of the exercise of the property rights to the work is invalid or ineffective, the Contracting Parties shall proceed as though, starting from the moment of signing of the Handover Record by the Purchaser, the Provider has granted to the Purchaser the exclusive licence to use the work pursuant to Section 2360 of the Civil Code, applicable to all manners of use, for the purpose specified in the Contract, and for an indefinite period of time, i.e. for the entire period of duration of the property rights to the author's work, without any quantitative or territorial restriction. The Purchaser shall be entitled to (i) grant a sub-licence and/or (ii) assign the licence to a third party as a whole or in part. The Provider grants to the Purchaser the right to alter, process or otherwise modify the work in any manner.
4. Non-exclusive licence. In cases, and only in cases where Article 2 cannot be applied, and as long as the Contract expressly stipulates so, the Provider shall grant to the Purchaser, starting from the moment of signing of the Handover Record by the Purchaser, a non-exclusive licence to use the work pursuant to Section 2360 of the Civil Code, applicable to all manners of use, for the purpose specified in the Contract, and for an indefinite period of time, i.e. for the entire period of duration of the property rights to the author's work, without any quantitative or territorial restriction. The Purchaser shall be entitled to (i) grant a sub-licence and/or (ii) assign the licence to a third party as a whole or in part. The Provider grants to the Purchaser the right to alter, process or otherwise modify the work in any manner.
5. Fee. Unless agreed upon otherwise for specific cases in the Contract the fee for the assignment of the exercise of the property rights to the works and/or the fee for the use of the work (licence, sub-licence) shall be CZK 1.00 excl. VAT. The fee is included in the Price.
6. Failure to use the licence. The Contracting Parties have agreed that the Purchaser shall not be obliged to use the granted licence.
7. Indemnification. Pursuant to Section 2890 seq. of the Civil Code, the Provider shall be obliged to compensate the Purchaser for any damage including loss of bargain and costs (legal costs) incurred by the Purchaser in case that a third party asserts its rights against either the Purchaser or Provider concerning such third party's rights to the output of the Service supplied by the Provider, no matter whether the third party succeeds in asserting its right. The Provider shall be obliged to compensate the Purchaser as per the foregoing sentence on the condition that the Purchaser notifies the Provider in writing and without any unnecessary delay of the assertion of such third party's right and provides the Provider with any reasonable assistance so that the assertion of the given right can be resisted or, if successfully asserted, settled out of court.

XIV. Rules of Access to the Purchaser's Information System

1. If the Contract allows for it, the Purchaser shall enable access to its computer network and applications to the necessary extent so that the Provider can perform his/her/its duties under the Contract.
2. If the Provider provides the Supply at Purchaser's premises, the Provider shall be obliged to procure that the Supply and/or cooperation under the Contract shall be provided exclusively by workers who have given an irrevocable written consent to their personal data - name, birth number, date and place of birth, and nationality - being transferred to the Purchaser and further processed by the Purchaser's personnel system for the duration of the Contract between the Purchaser and the Provider and then for the period of 10 years after the date of its expiry/termination. The Provider shall be obliged to hand over the written consent as per this Article into the Purchaser's safekeeping immediately after it has been signed.
3. The Purchaser shall be obliged to familiarise the Specialist, without limitation, with elementary duties of a user of the Information System of Komerční banka, a.s. (IS KB), which the Provider's worker shall confirm by signing the document called "Duties of a User of the Information System of Komerční banka, a.s." (hereinafter the "**Document**").

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XV. Confidentiality

1. The Contracting Parties hereby confirm that any and all information a Contracting Party might learn while performing the Contract or in connection with the performance thereof is confidential and/or shall be treated as a trade/business secret pursuant to Section 504 seq. of the Civil Code (hereinafter the "**Confidential Information**").
2. The Contracting Parties shall be obliged to maintain confidentiality in respect of the Confidential Information and to use the Confidential Information solely in order to satisfy the subject matter of the Contract.
3. The duty to maintain confidentiality as per Article 2 above shall mean, in particular, to refrain from any acts that might either disclose the Confidential Information or make it accessible to a third party in any way; or result into its misusing for the benefit of a Contracting Party or a third party, contrary to its original purpose; or enable a third party to make use of the Confidential Information in any manner.
4. The Contracting Parties shall be held liable for performing their duties arising from Article 2 above, except in cases where applicable law or a legally binding ruling of a court, tribunal, arbitration body or regulatory authority requires that the Confidential Information be made accessible, or the Purchaser has to make the Confidential Information available (however, only to an indispensable extent and having notified the other Contracting Party in advance, unless such notification is against law) so that the work shall be functional. In such a case, the Contracting Parties shall be obliged to cooperate and make all necessary steps to protect the other Contracting Party's interests.
5. The Contracting Parties shall be entitled to convey the Confidential Information to:
 - (i) Their employees who should learn the Confidential Information for the purpose for which it was provided;
 - (ii) Subcontractors and other third parties whose services the Contracting Parties shall use while satisfying the subject matter of the Contract.
 - (iii) The Purchaser shall be entitled to disclose the Confidential Information to:
 - a) The entities incorporated both in the Czech Republic and abroad, that are controlled by itself as envisaged in Act No. 90/2012 Coll., on Commercial Companies and Cooperatives (the Commercial Corporations Act), as amended,
 - b) The commercial company Société Générale, S.A., B 552 120 222, bld. Haussmann, 75009 Paris, France, as long as it is Purchaser's controlling entity, and further
 - c) The entities controlled by Société Générale S.A., both directly or indirectly through members of its financial group, which are, at the same time, incorporated in the Czech Republic and/or in the Slovak Republic.
6. Before conveying the Confidential Information to an entity referred to in Article 5(ii) above, the Contracting Party shall be obliged to enter into a written contract with such a third party, which shall bind the third party at least to the extent of the Contract. An appropriate confidentiality clause included in a contract other than a confidentiality contract shall also be considered as a written contract for the purpose of this provision. The Contracting Parties shall be obliged to make sure that their employees maintain confidentiality at least to the extent specified in the Contract.
7. After the cessation of the purpose for which the Confidential Information was transferred and/or the expiry of the Contract's effective term, the Contracting Parties shall be obliged to hand over all original media containing the Confidential Information, whether in written or digital form, to the other Contracting Party immediately upon the delivery of the other Party's written request and to destroy copies of the Confidential Information as soon as the aforementioned events occur. This provision shall not affect legal duties of the Contracting Parties in terms of archiving the Confidential Information.
8. In case that the written request as per the foregoing sentence is not delivered to the other Contracting Party within 30 days after the cessation of the purpose for which the Confidential Information was transferred and/or the expiry/termination of the Contract, the Contracting Party shall be obliged to destroy the original media containing the Confidential Information immediately.
9. In case that any of the Contracting Parties breaches the pledge of confidentiality under the Contract, the other Contracting Party shall be entitled to urge the offending Party to refrain from doing so and put things right. In addition to this, it shall be entitled to claim reasonable compensation (indemnification), even of financial nature, as well as damages and the surrender of unjust enrichment.
10. The Contracting Parties shall be obliged to perform their duties arising from this Section XV of the Business Terms and Conditions for an indefinite period of time, even after the termination/expiry of the Contract.
11. The pledge of confidentiality on the part of the Purchaser pursuant to this Section XV of the Business Terms and Conditions shall not apply to the outputs of the Supply, both written and verbal, that have been provided by the Provider to the Purchaser in accordance with the Contract.

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XVI. Severability

In case that any provision of the Contract or of the Business Terms and Conditions is or becomes null and void, controvertible or unenforceable, such a provision shall not affect validity or enforceability of other provisions of the Contract or the Business Terms and Conditions as long as it is severable from the Contract or the Business Terms and Conditions as a whole. The Contracting Parties shall be obliged to agree on replacing the null and void provisions with valid ones, whose purport shall correspond to the original intention of the null and void provisions of the Contract or of the Business Terms and Conditions to the greatest possible extent.

XVII. Liability for Damage

1. Liability of the Contracting Parties for damage shall be governed by provisions of Section 2894 seq. of the Civil Code, in particular of Sections 2913 and 2914 thereof.
2. The Contracting Parties shall be obliged to make every effort to prevent and minimize any damage.
3. The Contracting Parties hereby affirm that the right to damages shall also apply to penalties possibly charged to the Purchaser by public authorities including supervisory bodies as a result of a breach of the Contract committed by the Provider and consequently paid by the Purchaser.
4. Force majeure. Neither of the Contracting Parties shall be liable for any damage caused by default the other Contracting Party makes in performing its duties or by circumstances that exclude liability (*force majeure*).

XVIII. Assignment of the Contract; Assignment of Receivables

The Provider agrees that the Purchaser shall be entitled to assign any rights and receivables (including security/collateral assignment of a receivable or a right) or pledge its receivables in respect of the Provider arising under the Contract, or assign the Contract, its part, or rights and duties arising under the Contract. The Provider shall not be entitled to assign to a third party, without prior written consent of the Purchaser, any of his/her/its rights and duties arising under the Contract, or the Contract as a whole. The Provider hereby waives his/her/its right to declare with respect to the Purchaser, as an assignor, that he/she/it repudiates its exemption pursuant to Section 1899 of the Civil Code.

XIX. Applicable Law; Resolution of Disputes

1. The rights and duties of the Contracting Parties, including the coming into the existence of the Contract, shall be governed by Czech law, with the exclusion of conflict of laws and of the United Nations Convention on contracts for the international sale of goods.
2. Should any disputes arise under the Contract, the Contracting Parties have agreed to negotiate first. In case that a dispute is not settled out of court within a reasonable period of time (however not longer than 45 calendar days) after a written request for negotiation has been delivered to the other Contracting Party, the dispute shall be decided by a pertinent and territorially competent general court.

XX. Communication

1. Unless set forth otherwise in the Contract, any notice, demand, request, approval or other piece of information envisaged and/or permitted by the Business Terms and Conditions or the Contract shall be made in writing and delivered in one of the manners specified below:
 - (a) In person;
 - (b) By registered letter;
 - (c) By courier/messenger service;
 - (d) By email.Only a supplementary document informing the other Contracting Party about nonessential details related to the performance of the Contract may be delivered by email, unless agreed otherwise. No right or duty shall ensue from information delivered in such a way, unless agreed otherwise.
2. Contracting Parties' Contact Persons, Addresses and Numbers to which the communications shall be sent are specified in the Contract.
3. A document shall be deemed duly delivered on the territory of the Czech Republic:
 - (a) On the day of its delivery to the recipient if delivered in person;
 - (b) On the third working day after dispatching (or on the fifteenth working day after being sent at an address

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- abroad) when delivered by a provider of postal services, unless it has been delivered earlier;
- (c) On the second day after being sent by courier/messenger service, unless it has been delivered earlier;
- (d) As soon as its receipt is confirmed by a confirming e-mail dispatched by the recipient to the sender, if sent by e-mail.
- If the terms and conditions set forth in Article 3 above have not been met, a document shall be deemed undelivered, unless agreed otherwise.
 - In case that, while communicating as per Article 3 above, a Contracting Party receives illegible or incomplete documents or documents whose authenticity is disputable, such a Contracting Party shall be obliged to notify the other Contracting Party immediately and to refrain from any actions by virtue of such documents until the other Contracting Party responds. The Contracting Party that shall have received such document shall not be held liable for any possible damage suffered by the other Contracting Party in connection therewith.
 - The Contracting Parties shall be entitled to change and/or substitute their Contact Persons, Addresses and Numbers unilaterally. Such a replacement/appointment shall become effective as from the date following the day of delivery of a relevant notification to the other Contracting Party, unless a later date is specified in the notification. The recipient Contracting Party shall be obliged to inform the dispatching Contracting Party about the delivery immediately and in a demonstrable manner.

XXI. Other Provisions

- Usual business practices. In accordance with the provision of Section 558(2) of the Civil Code that the contractual relationship established under the Contract shall not be governed by usual business practices.
- The Contract shall not be executed until an agreement concerning its all particulars is reached. Pursuant to Section 1740(3) of the Civil Code, the Contracting Parties have agreed that while the Contract is executed, no offer containing any amendment or deviation shall be accepted. An acceptance of a Purchaser's offer for the execution of the Contract made to the Provider must be without any amendments, saving clauses, restrictions, deviations, or any other changes. The Contracting Parties exclude the application of provisions of Section 1757 of the Civil Code to their contractual relationship established by the Contract and to contractual relationships based on the Contract.
- Adhesion contracts. Provisions of Sections 1799 and 1800 of the Civil Code governing adhesion contracts shall not apply to the contractual relationship established by the Contract.
- Changed circumstances. By signing the Contract, the Provider assumes the risk of changed circumstances as envisaged in Section 1765 of the Civil Code.
- Waiver of rights. No failure, including partial, to assert any rights arising under the Contract, or a delay to assert the rights, shall be construed as a waiver of such rights, nor shall it result in the extinction of the rights arising under the Contract.
- Amendments to the Contract. Any amendments/changes to the Agreement can only be made by written amendments thereto, unless stipulated otherwise in the Contract or the Business Terms and Conditions.
- The Contracting Parties agreed to exclude the application of provisions of Sections 1965, 2103, 2104, 2105, 2106, 2107, 2605(2), 2611 and 2618 of the Civil Code.

XXII. Special Provisions

- Being a subsidiary company of Société Générale, S.A. the Purchaser wishes to inform the Provider that its controlling company subscribed to the United Nations Declaration on environment and sustainable development on 27 November 2001. Since then, Société Générale, S.A. has participated in measuring of sustainable development based on four major international sustainable development measuring indexes.
In view of the circumstances referred to above in this Article, the Provider shall be obliged to:
 - Observe, on the territory on which he/she/it operates,
 - Laws and regulations governing labour law or, where such laws and regulations do not exist, rules and provisions incorporated into Declarations, Conventions and other documents of the International Labour Organization (ILO);
 - Laws and regulations governing environmental issues;
 - Refrain from cooperating with Subcontractors and other natural and/or legal persons that, to the Provider's knowledge, fail to observe the rules referred to in paragraphs (a) and (b) above.
- The Provider shall be obliged to provide the Supply specified in the Contract to:
 - Entities controlled by the Purchaser (including those with their registered offices outside the Czech Republic), and
 - Entities controlled by Société Générale SA, B 552 120 222, registered office at 29, Boulevard Haussmann,

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75009 Paris, France, both directly and indirectly through members of its financial group, which have, at the same time, their registered offices in the Czech Republic and/or in the Slovak Republic,

(the entities of both groups referred to above are referred to in this Article as the “**Company**”),

under the same or more favourable terms than those set forth in the Contract. Financial terms of the provision of the Supply under the Contract, which are specified therein, can be modified upon mutual agreement with regard to issues of logistics and the location of the provision of the Supply, as specified in the Contract, requested by the aforesaid Companies. In case that the Provider had entered into an agreement with the Company before the date of execution of the Contract, he/she/it shall be obliged to negotiate with the Company the execution of an amendment to the existing agreement, by virtue of which the Provider shall meet the aforesaid duty, and to do so no later than 60 days of the date of execution of the Contract.

XXIII. Purchaser's Other Documents

1. By executing the Contract, the Provider confirms that he/she/it has been familiarised with the Purchaser's documents listed below:
 - The Document.
2. Availability of the documents. Any and all documents listed in Article 1 above are made public in detail on this website: www.kb.cz/dodavatele. The Contracting Parties unanimously declare that they accept such a reference to the documents for the purpose of these Business Terms and Conditions and consider it acceptably explicit. By executing the Contract, the Provider represents that he/she/it has familiarised himself/herself/itself with the documents, agrees with their content, and shall adhere to them.

XXIV. Order of Precedence of Documents

In case of any difference between the provisions of the Contract, annexes thereto, and the Business Terms and Conditions, the order of precedence of the contractual documents shall be as follows:

1. Contract;
2. Annexes and supplements to the Contract different from the Business Terms and Conditions;
3. The Business Terms and Conditions;
4. The documents listed in Section XXIII of the Business Terms and Conditions.

XXV. Validity and Effectiveness

The Business Terms and Conditions shall become valid and effective as from January 1, 2017.