

Terms and Conditions of Purchase

ŠkoFIN s.r.o.

1. Definition of Terms

- 1.1. **Supplier.** In these Terms, Supplier means a third party from whom the Company purchases or is considering purchasing Goods or Services (hereinafter also referred to as the "Supplier").
- 1.2. **Confidential Information.** In these Terms and Conditions, Confidential Information (hereinafter referred to as "Confidential Information") means:
 - 1.2.1. any information of any nature whatsoever concerning the Company to which the Supplier gains access in the course of communication with the Company or in the performance of or in connection with the Contract or which the Company discloses to the Supplier (including prior to the conclusion of the Contract), unless it is publicly available or generally known information,
 - 1.2.2. Personal Data relating primarily, but not exclusively, to customers, employees, other suppliers, distributors or other business partners of the Company or any other natural persons disclosed in any form by the Company to the Supplier in the performance of or in connection with the Contract; and
 - 1.2.3. all documents and records relating to the Company, its customers, employees, other suppliers, distributors or other business partners or any other persons provided by the Company to the Supplier in the performance of or in connection with the Contract.
- 1.3. **Information Asset.** For the purposes of these Terms and Conditions, an Information Asset means hardware, software, data and information of value to the Company; less obvious assets such as knowledge or know-how (also referred to as an Information Asset) are also considered Information Assets.
- 1.4. **Simple Contract.** In these Terms and Conditions, a Simple Contract means a Contract concluded by way of an Order and its acceptance by the Supplier (hereinafter referred to as a "Simple Contract").
- 1.5. **Order.** In these Terms and Conditions, an Order means an order for Goods or Services generated from the Company's Team Assistant system and placed by the Company with the Supplier (hereinafter also referred to as the "Order"). The Order is the proposal of the Contract.
- 1.6. **Personal Data.** In these Terms and Conditions, Personal Data means personal data managed by the Company, in particular Personal Data about the Company's clients (hereinafter referred to as "Personal Data").
- 1.7. **Terms and Conditions.** In these Terms and Conditions, the Terms and Conditions means these General Terms and Conditions of Purchase of the Company (hereinafter also referred to as the "Terms and Conditions").
- 1.8. **Security Failure.** For the purposes of these Terms and Conditions, a breach of security means the loss or

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leakage of Confidential Information, unauthorised tampering with Confidential Information or other breach of security of Confidential Information.

- 1.9. **Services.** In these Terms and Conditions, Services shall mean services that the Company purchases from the Supplier in connection with its business activities (hereinafter also referred to as "Services").
- 1.10. **Contract.** Contract means in these Terms and Conditions the contract between the Company and the Supplier for the purchase of Goods or Services (hereinafter also referred to as the "Contract").
- 1.11. **Company.** The Company in these Terms and Conditions means ŠkoFIN s.r.o., with its registered office at Pekařská 635/6, Jinonice, 155 00 Prague 5, Comp. Reg. No. 458 05 369, registered in the Commercial Register maintained by the Municipal Court in Prague under File Ref. C 11881 (hereinafter referred to as the "Company").
- 1.12. **Subcontractor.** In these Terms and Conditions, Subcontractor means a third party through whom the Supplier performs or intends to perform the Contract; Subcontractor does not include the Supplier's employees (hereinafter also referred to as the "Subcontractor").
- 1.13. **Goods.** In these Terms and Conditions, Goods means movable things in the legal sense - tangible and intangible - which the Company purchases from the Supplier in connection with its business activities (hereinafter also referred to as the "Goods").

2. Scope

- 2.1. **Scope.** These Terms and Conditions govern the legal relationship between the Company and the Supplier in relation to the purchase of Goods or Services if:
 - 2.1.1. the Company and the Supplier have agreed in advance that their legal relationship in relation to the purchase of Goods or Services will be governed by these Terms and Conditions, or
 - 2.1.2. the Company and the Supplier have entered into a Contract which refers to these Terms and Conditions or
 - 2.1.3. a legal relationship previously existed between the Company and the Supplier which was governed by these Terms and Conditions.

3. Entering into Contracts

- 3.1. **Information.** The Company is not obliged to disclose to the Supplier all facts and legal circumstances pursuant to Section 1728(2) of the Civil Code.
- 3.2. **Feasibility.** The Supplier is required to examine the Company's inquiry and the data contained therein to determine its accuracy, completeness, implementability and mutual compatibility and to consider in the offer all costs that could arise in connection with fulfilment of the delivery. The Supplier is required to specify potential shortcomings in the offer. By submitting the offer, the Supplier accepts the risks related to the ability to fulfil the delivery arrangement for the agreed price for the purpose specified in the Company's inquiry.

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- 3.3. **Draft Contract.** The Supplier may accept the Company's proposal for the Contract within 30 days of delivery to the Supplier at the latest; if the Company accepts the proposal later, the Contract shall not be entered into.
- 3.4. **Withdrawal of the Proposal.** The Company may revoke the Draft Contract if the revocation reaches the Supplier before the Supplier has sent acceptance of the Draft Contract to the Company.
- 3.5. **Proposal Acceptance.** The Supplier may accept the Draft Contract only in writing, in paper form with the Supplier's handwritten signature or in electronic form with the Supplier's guaranteed electronic signature; the signatures of the Company and the Supplier must be on the same document. However, the Supplier may also accept the Order by acting in accordance with the Order, in particular by providing the Company with Goods or Services in accordance with the Order.
- 3.6. **Acceptance with a Variation.** The Draft Contract cannot be accepted with an amendment or variation, even if it would not materially alter the terms of the Draft Contract. The Contract is only entered into if the Company and the Supplier fully agree on its content.
- 3.7. **Changes and Termination.** The provisions of paragraphs 3.1., 3.4., 3.5. sentence one and 3.6. of these Terms and Conditions shall also apply to agreements to amend or terminate the Contract (including agreements on the agreed form of closure of the Contract or agreements to amend or terminate the Contract).
- 3.8. **Change in Circumstances.** The Supplier shall assume liability for the risks related to changes of circumstances.
- 3.9. **Entering into the Contract Without the Requisites.** Entering into the Contract without an agreement on all its requisites within the meaning of Section 1726 of the Civil Code is excluded.
- 3.10. **Contractual Arrangements.** The legal relations between the Company and the Supplier established by the Contract shall be governed by:
- 3.10.1. the actual content of the Contract (the Draft Contract or Order and its acceptance),
- 3.10.2. Annexes to the Contract,
- 3.10.3. these Terms and Conditions,
- 3.10.4. other documents referred to in the Contract,
- 3.10.5. other documents referred to in these Terms and Conditions.
- 3.11. **Conflicts.** To the extent that the various sources of contractual regulation set out in paragraph 3.10. of these Terms and Conditions conflict, they shall be applied in the Order in which they are set out in paragraph 3.10. of these Terms and Conditions.
- 3.12. **Contractor's Terms and Conditions.** Legal relations between the Company and the Supplier shall be governed by the Supplier's Terms and Conditions only if this is expressly agreed in the Contract. In the event of a conflict between the sources of contractual regulation set out in paragraph 3.10. of these Terms and Conditions and the Supplier's Terms and Conditions, the sources of contractual regulation set out in paragraph 3.10. of these Terms and Conditions shall prevail.
- 3.13. **Business Practices.** In the legal relations between the Company and the Supplier, Business Practices shall not prevail over the dispositive provisions of the law.
- 3.14. **Adhesion Contracts.** The provisions of Sections 1799 and 1800 of the Civil Code on contracts entered into by adhesion shall not apply to the legal relations between the Company and the Supplier.
- 3.15. **Interpretation.** In interpreting the Contract, or all sources of contractual regulation of the legal relationship between the Company and the Supplier, the Company's demand, the Supplier's offer, the practice established between the Company and the Supplier and business practices shall also be used in turn.

4. Performance in General

- 4.1. **Costs and Hazards.** Unless otherwise agreed, the Supplier is obliged to provide the Company with performance at its own expense and risk.
- 4.2. **Quality.** Unless otherwise agreed, the Supplier is obliged to proceed in the performance of the Contract with the utmost professional care and to provide the Company with a high level of quality. The performance must at the same time conform to the Contract and its purpose and to technical and, where applicable, other generally accepted standards and must have at least the usual characteristics. The Goods must be delivered new.
- 4.3. **Obvious Defects.** Defects in the Supplier's performance shall always be attributable to the Supplier, even if they are conspicuous, obvious or detectable from a public list.
- 4.4. **Warranty.** The Supplier provides the Company with a warranty for the quality of the Goods and Services for a period of two years from the delivery of the Goods or provision of the Services.
- 4.5. **Rights from Defects.** The Company's rights arising from the Supplier's liability for defects in performance shall be determined by law; unless otherwise specified, the provisions on rights arising from defects in the Goods shall apply to the rights arising from defects in the Services *mutatis mutandis*. If there is a defect in the Goods or Services, the Company shall always have the right to remedy the defect at the Supplier's expense and the right to withdraw from the Contract. The right to choose the Supplier's liability for defects in the Goods or Services belongs to the Company; if the Supplier does not satisfy the right without undue delay, the Company is entitled to change the choice.
- 4.6. **Exercising of Rights.** The Company may exercise the Supplier's liability rights for defects in the Goods or Services against the Supplier within two years of receipt of the Goods or provision of the Services, regardless of when the Company discovered or could have discovered the defect.
- 4.7. **Without Reservations.** The Company retains all rights arising from defects in the Goods or Services even if it has accepted the Goods or Services showing obvious defects without any reservations.
- 4.8. **Costs of the Exercise.** The Company shall be entitled to compensation for the costs associated with the

exercise of its rights under the Supplier's liability for defects in the Goods and Services; it may exercise this right against the Supplier within three years of receipt of the Goods or provision of the Services.

5. Ownership Right and Risk

- 5.1. **Ownership Right.** Ownership of the Goods shall pass from the Supplier to the Company upon conclusion of the Contract, or if such transfer is not possible, upon acceptance of the Goods by the Company, or upon payment of the price of the Goods, if this occurs prior to acceptance of the Goods.
- 5.2. **Right of Retention.** The Supplier has no right of retention to the Goods.
- 5.3. **Risk of Damage.** The risk of damage to the Goods shall pass from the Supplier to the Company at the acceptance of the Goods by the Company.
- 5.4. **Liability for Damages.** The Supplier shall be liable to the Company for breach of obligations under the Contract and its conclusion without limitation. If a breach of any of the Supplier's obligations under the Contract or these Terms and Conditions is subject to a contractual penalty, the Company shall be entitled to claim damages from the Supplier for the breach of such obligation to the extent exceeding the contractual penalty.

6. Place of Supply

- 6.1. **Company Registered Office.** Unless otherwise agreed and unless otherwise follows from the nature of performance or the purpose of the Contract, the Supplier is obliged to deliver the Goods and/or provide the Service to the Company at the Company's main business premises (currently at Evropská 866/63, 160 00 Prague 6). If the Company moves its main business premises within Prague, any increased costs or risks incurred by the Supplier shall be borne by the Supplier.
- 6.2. **Location Change.** Unless otherwise agreed, the Company shall be entitled, until performance is provided, to determine that the Supplier shall deliver the Goods and/or provide the Service to the Company at another location in Prague or at the Supplier's registered office.
- 6.3. **Multiple Locations.** If more than one place of performance is agreed or if more than one place of performance results from the nature of the performance or the purpose of the Contract, the Company shall be entitled to choose the place of performance; the Supplier shall be obliged to invite the Company to choose the place of performance in good time in advance.

7. Manner of Performance

- 7.1. **Multiple Manners.** If the Supplier's obligation can be performed in more than one way, the Company shall have the right to choose; the Supplier shall be obliged to invite the Company to choose the way in good time in advance. The right of choice shall only pass to the Supplier if the Company does not choose the method of performance even within an additional reasonable period of time provided by the Supplier.

- 7.2. **Instructions.** Within the framework given by the Contract or resulting from the nature of the performance or the purpose of the Contract, the Supplier is obliged to follow the Company's instructions in the performance of the Contract.
- 7.3. **Partial Performance.** The Company shall not be obliged to accept partial performance.
- 7.4. **More Debts.** If the Supplier owes several performance obligations of the same kind, the Company shall be entitled to set off performance against any one of them, irrespective of what the Supplier has specified in performance.
- 7.5. **Interest and Charges.** The Company shall be entitled to determine whether the Supplier's performance is to be set off against the principal or interest and charges of the debt, or which component of the interest and charges, as the case may be, irrespective of what the Supplier has determined at the time of performance.
- 7.6. **Performance by a Third Party.** The Company does not have to accept performance offered by a third party with the Supplier's consent.
- 7.7. **Performance to a Third Party.** Unless otherwise expressly agreed or unless otherwise expressly determined by the Company directly against the Supplier, the Supplier shall always be obliged to perform directly to the Company.
- 7.8. **Quittance.** A quittance issued by the Company may be inferred from the payment of an interest or charge attached to a receivable or a previously due performance only if the quittance expressly states so.
- 7.9. **Employees.** The Supplier shall not be entitled to change key employees involved in the performance of the Contract (in particular employees expressly mentioned in the offer on the basis of which the Contract was entered into) without an important reason directly related to the performance of the Contract or the Company.

8. Time of Performance

- 8.1. **Immediately Without Prompting.** Unless otherwise agreed and unless the nature of the performance or the purpose of the Contract requires otherwise, the Supplier is obliged to fulfil its obligations without notice to the Company immediately after the Contract is entered into.
- 8.2. **Sequence.** Unless otherwise agreed and unless the nature of the performance or the purpose of the Contract requires otherwise, the Supplier is obliged first to fulfil its obligations towards the Company, and only afterwards the Company is entitled to provide the counter-performance to the Supplier. The Supplier shall not be entitled to withhold its performance even if the Company's performance is jeopardised; withdrawal from the Contract by the Supplier for this reason is also excluded.
- 8.3. **Early Performance.** Unless otherwise expressly agreed in the Contract, the period of performance of the obligations arising therefrom shall be for the benefit of both the Company and the Supplier.

9. Contractor's Default

- 9.1. **Other Contracts.** If the Supplier is in default of its obligations under the Contract, the Company shall be entitled to withhold its performance under the Contract and under other contracts entered into with the Supplier; the Company shall also be entitled to withhold other performance from the Supplier for other legal reasons. If the Supplier fails to fulfil its obligation under the Contract even within an additional reasonable period of time granted by the Company, the Company shall be entitled to withdraw from the Contract and from any other contracts entered into with the Supplier.
- 9.2. **Instalments and Parts.** If the Supplier is to perform in instalments or in parts and is in default in the performance of any instalment or part, the Company shall be entitled to demand the whole performance at once. However, the Company may exercise this right no later than the due date of the next instalment or part of the performance.
- 9.3. **Contractual Penalty.** If the Supplier is in delay with the delivery of the Goods or provision of the Services, it shall pay the Company a contractual penalty of 0.05% of the price of the Goods or Services agreed in the Contract for each day of delay until the additional delivery of the Goods or provision of the Services. If the Goods or Services are delivered under the Contract on a long-term or repeated basis, the price of the Goods or Services whose delivery or provision is delayed by the Supplier shall be taken as the basis for calculating the contractual penalty.

10. Subcontractors

- 10.1. **Consent.** The Supplier is entitled to perform the Contract through a Subcontractor. When selecting a Subcontractor, the Supplier is obliged to exercise increased professional care; in particular, cooperation with persons with criminal convictions, insolvency history or other persons who can reasonably be doubted to fulfil their obligations under the Contract in a timely and proper manner is excluded.
- 10.2. **Responsibility.** If the Supplier performs the Contract through a Subcontractor, it shall nevertheless be responsible as if it were performing the Contract itself.
- 10.3. **Transfer.** If the Supplier performs the Contract through a Subcontractor, the Supplier is obliged to bind the Subcontractor to perform all obligations arising for the Supplier from the Contract, unless the nature of these obligations precludes it.
- 10.4. **Prohibition.** The Company is entitled to prohibit the participation of a particular Subcontractor in the performance of the Contract for important reasons.
- 10.5. **Changes.** The Supplier is not entitled to change the Subcontractors involved in the performance of the Contract without an important reason directly related to the performance of the Contract or the Company.
- 10.6. **The Schwarz System.** The Supplier shall not use as Subcontractors persons who may be questioned as to whether they are not performing dependent work for

the Supplier or the Company outside the employment relationship.

- 10.7. **Documentation.** The Company shall be entitled at any time to require the Supplier to submit complete contractual documentation governing the Subcontractor's activities in the performance of the Contract, or to provide information on the conditions under which the Subcontractors participate in the performance of the Contract.

11. Price

- 11.1. **Price.** The price of the Goods and Services is agreed in the Contract as final. If the price of the Goods or Services is not agreed in the Contract and the Contract is nevertheless valid, the Supplier shall be entitled to the lowest price for the Goods or Services that is available at the time and place of conclusion of the Contract.
- 11.2. **Price Reduction.** If the Company and the Supplier agree, after the conclusion of the Contract, to narrow the scope of the Supplier's performance (delivery of Goods or Services) or to reduce its quality, without simultaneously agreeing on a change in price, they shall be deemed to have agreed on a price reduction corresponding to the narrowing of the scope of performance or reduction in its quality. If the Company and the Supplier agree, after the conclusion of the Contract, to extend the scope of the Supplier's performance (delivery of Goods or Services) or to increase its quality, without simultaneously agreeing on a change in price, it shall be deemed that the price does not change.
- 11.3. **Due Date.** The price for the Goods or Services is payable on the basis of an invoice - tax document issued by the Supplier after delivery of the Goods or provision of the Services, due at least 30 days after delivery of the invoice - tax document to the Company.
- 11.4. **Method of Payment.** The price for the Goods or Services shall be paid by bank transfer to the Supplier's bank account held with a domestic bank; the Supplier is obliged to indicate the account number for payment on the invoice - tax document.
- 11.5. **Invoice Form.** Unless otherwise agreed, the Supplier shall issue invoices electronically.
- 11.6. **Order Number.** The Supplier is obliged to indicate in the invoice-tax document also the Order number or Contract number or (if the Order or Contract has no number) another unambiguous specification of the Order or Contract to which the invoice-tax document relates.
- 11.7. **Essential Documents.** The Supplier shall be obliged to obtain documentation enabling credible verification of the provision of the performance and its circumstances and to assess the factual correctness of the invoice and to provide such documentation to the Company at any time upon its request.
- 11.8. **Notices** Unless otherwise agreed, the Supplier shall deliver invoices to the Company by e-mail to financnioddeleni@vwfs.cz.
- 11.9. **Invoice Defects.** If the Supplier has issued an invoice - a tax document formally or materially incorrect, the

Company is entitled to return it to the Supplier; in such a case, the Supplier is obliged to issue and deliver a new invoice without defects to the Company. If the Company returns a defective invoice to the Supplier within 30 days of delivery, the invoiced amount is only payable on the basis of a new, faultless invoice within 30 days of delivery.

11.10. **Costs.** Unless otherwise agreed, the price of the Goods or Services shall include all costs of the Supplier associated with the provision of the Performance; the Supplier shall not be entitled to compensation for such costs in addition to the price.

11.11. **Assignment.** The Supplier may not do the following with its receivables from the Company:

- 11.11.1. assign them to a third party,
- 11.11.2. pledge them to a third party,
- 11.11.3. set them off against the Company's receivables from the Supplier.

11.12. **Setoff.** The Company shall be entitled to set off against the Supplier's receivables (whether due or not) its due and undue receivables from the Supplier.

11.13. **Audit.** If the Company confirms to the Supplier, as part of its audit or other review of the status of the receivables, that it has recorded the Supplier's receivable in its accounts, this does not mean that the Company acknowledges the receivable or otherwise confirms the existence of the receivable or the assumptions underlying it.

12. VAT

12.1. **Account.** The Supplier declares that the bank account, to which the Price for the Goods or Services shall be remitted, belongs among the accounts held by providers of payment services used for economic activity, which have been reported to the tax administrator and which are intended for public accessibility in a manner allowing remote access pursuant to Section 96 of Act No. 235/2004 Coll., on Value Added Tax, as amended (hereinafter the "VAT Act").

12.2. **Reliability of the Payer.** The Supplier also declares that it is properly fulfilling its tax obligations set by the VAT Act, particularly the obligations relating to administration of taxes, and that the competent tax administrator has not decided that the Supplier as the tax payer is an unreliable payer. If such decision is made by the tax administrator, the Supplier undertakes to immediately notify the Company thereof.

12.3. **Payment to the Administrator.** The Parties have agreed that as soon as the Company learns in any manner that the Supplier has become an unreliable VAT payer or that payment is to be remitted to an account not made public pursuant to the paragraph 12.1 of these Terms and Conditions, the Company is entitled to pay the Supplier any yet unpaid price for the Goods or Services excluding VAT, and to pay VAT in the legally required amount pursuant to Section 109a of the VAT Act directly to the deposit bank account of the tax administrator having the competence for the Supplier. VAT shall be paid in the aforementioned manner on the date when the price for the Goods or Services

excluding VAT has been paid to the Supplier at the latest.

12.4. **Fulfilling the Commitment.** The Parties have agreed that payment of VAT to the Supplier's tax administrator's deposit account and payment of the agreed price not including VAT to the Supplier will be considered as fulfilment of the Company's obligation to pay the agreed price for the Goods and/or Services, and/or its relevant portion hereunder, and that in such case the Supplier will no longer require the Company to pay VAT.

13. Cooperation

13.1. **Contract.** Unless otherwise agreed, the Company shall not be obliged to provide the Supplier with any assistance in the performance of the Contract, in particular it shall not be obliged to:

- 13.1.1. provide the Supplier with premises,
- 13.1.2. provide the Supplier with equipment or facilities,
- 13.1.3. allow the Supplier to use the Company's or third parties' IT systems,
- 13.1.4. provide software for the Supplier,
- 13.1.5. provide accommodation or catering for the Supplier.

13.2. **Return.** If the Company has provided the Supplier with equipment or facilities or other items as part of the cooperation for the purpose of the Contract, the Supplier shall return them to the Company without undue delay, no later than 15 days after the termination of the Contract, unless they have been previously consumed in accordance with the Contract.

13.3. **Issue.** The provisions of paragraph 13.2. of these Terms and Conditions shall apply mutatis mutandis to items acquired by the Supplier for the Company in the performance of or in connection with the Contract.

14. Intellectual Property

14.1. **Supplier.** If the Company is to provide any items of intellectual property for the performance of the Contract as part of its cooperation, the Supplier shall be entitled to use them only for the purpose of performing the Contract.

14.2. **Company - bespoke.** If the Supplier supplies to the Company under the Contract any items of intellectual property created individually only for the Company, or provided individually only to the Company ("bespoke"), the Supplier also grants the Company the right to use them (licence) with their supply:

- 14.2.1. all uses, in particular reproduction, distribution, lending, display or communication to the public,
- 14.2.2. for all purposes, including advertising and marketing purposes,
- 14.2.3. without any obligation to use them,
- 14.2.4. exclusively, i.e. without the Supplier's right to grant a licence to a third party and at the same time with the Supplier's obligation to refrain from exercising the right to use them,
- 14.2.5. with the right to grant sublicenses,
- 14.2.6. with the right to assign the license, and the Author agrees in advance to assign the license to any third party and waives the right to notice of such

- assignment and the person to whom the license has been assigned,
- 14.2.7. effective worldwide,
- 14.2.8. for the period when the relevant proprietary and copyrights to them remain valid,
- 14.2.9. without any quantity restriction or other restriction,
- 14.2.10. with the right to modify or otherwise change them, in particular to divide them, combine them with other intellectual property and other objects or otherwise process them,
- 14.2.11. with the right to include them in collective works or other files,
- 14.2.12. with the right to modify or otherwise change their name and the designation of their author or owner,
- 14.2.13. with the right to register them as a trademark for oneself or to protect them in another similar manner and with the right to freely dispose of such trademark or other instrument of protection,
- 14.2.14. without any obligation to provide the Supplier with copies thereof.
- 14.3. **Company - others.** If the Supplier supplies to the Company under the Contract any items of intellectual property not created individually only for the Company, or not provided individually only to the Company ("bespoke"), the Supplier also grants the Company the right to use them (licence) with their supply:
 - 14.3.1. for own purposes,
 - 14.3.2. in the manner resulting from their nature,
 - 14.3.3. for the purpose resulting from the Contract, otherwise for the usual purpose (including advertising and marketing purposes),
 - 14.3.4. without any obligation to use them,
 - 14.3.5. non-exclusively,
 - 14.3.6. effective worldwide,
 - 14.3.7. for the period when the relevant proprietary and copyrights to them remain valid,
 - 14.3.8. without any quantity restriction or other restriction,
 - 14.3.9. with the right to modify or otherwise change them, in particular to divide them, combine them with other intellectual property and other objects or otherwise process them, but always only for their own use,
 - 14.3.10. without any obligation to provide the Supplier with copies thereof.
- 14.4. **Prerequisites.** The Supplier shall provide all necessary conditions for the proper and timely provision of the licences in accordance with paragraphs 14.2. and 14.3. of these Terms and Conditions.
- 14.5. **License Fees.** The consideration for the Supplier's licensing of the Intellectual Property to the Company is already included in the price of the Goods or Services and the Supplier is not entitled to any additional remuneration or fee in addition to this price.
- 14.6. **Carrier.** The Supplier shall be obliged to provide, together with the delivery of the Goods or provision of the Services, documentation or other tangible carrier of the subject of intellectual property or other things enabling the full exercise of the licence, unless this obligation is complied with by the delivery of the Goods or provision of the Services.

15. Termination of the Contract

- 15.1. **By Agreement.** The Contract may be terminated by agreement between the Company and the Supplier.
- 15.2. **Termination Notice.** A contract under which the Supplier provides recurring or ongoing performance to the Company, in particular a contract concluded for an indefinite period, is:
 - 15.2.1. The Company shall be entitled to terminate by notice for any reason or no reason, with a notice period of two months (the notice period shall commence on the first day of the month following the delivery of the termination notice),
 - 15.2.2. The Supplier shall be entitled to terminate by notice for any reason or no reason, with a notice period of six months (the notice period shall commence on the first day of the month following the delivery of the notice).
- 15.3. **Withdrawal - General.** Either Party shall be entitled to withdraw from this Contract if the other Party breaches any of its obligations under the Contract (including these Terms and Conditions and other parts of the Contract) or its conclusion (including the obligations set out in the legislation) and fails to fulfil the obligations and remedy any negative consequences of the breach even within an additional reasonable period of time provided by the first Party.
- 15.4. **Withdrawal - Specific.** The Company shall be entitled to withdraw from the Contract without first giving the Supplier a period of time for additional performance or rectification if:
 - 15.4.1. insolvency proceedings or similar proceedings have been initiated against the Supplier,
 - 15.4.2. the Supplier has entered into liquidation,
 - 15.4.3. the Supplier was dissolved without liquidation,
 - 15.4.4. the sale of the Supplier's business or part of the Supplier's business,
 - 15.4.5. there has been a change in the beneficial ownership of the Supplier or other material change in the ownership structure of the Supplier,
 - 15.4.6. the Supplier directly or indirectly gives or promises to give a bribe or a different illegitimate advantage to an employee or a representative of the Company,
 - 15.4.7. The Supplier breaches any other obligation stemming from documents which according to these Terms and Conditions of Purchase are binding for the Supplier, such as obligations relating to environmental protection or stemming from the requirements of Volkswagen Group for sustainable development in business relationships (the Ethical Code of Conduct for Business Partners) or declarations regarding social rights and/or industrial relationships in Volkswagen, and if the Supplier fails to eliminate such breach within an additionally provided time frame for compliance.
 - 15.4.8. The Supplier - a legal entity - has been convicted of a criminal offence related to business,
 - 15.4.9. a member of the Supplier's statutory body or the Supplier - a natural person or their employee involved in the performance of the Contract has been convicted of a criminal offence, the substance of which is related to business,

- 15.4.10. the Supplier influences or tries to influence a tender declared by the Company,
- 15.4.11. The Supplier breaches any of the obligations set out in clause 10. of these Terms and Conditions.
- 15.5. **Time Limit.** Withdrawal is not subject to any time limit.
- 15.6. **Settlement.** If the Contract is terminated as a result of withdrawal or any other similar reason, the Parties shall settle between themselves according to the benefit, if any, that the Supplier's performance (or part thereof) has already brought to the Company.
- 15.7. **Duration of Obligations.** Even after the termination of the Contract, the Parties shall retain any rights or obligations which are provided for by law or which are inherent in the nature of the Contract. Thus, the Supplier's obligation of confidentiality, the Supplier's liability for defects in the Goods or Services, the Company's license to intellectual property, the Company's right to pay contractual penalties or damages against the Supplier, and others shall remain unaffected.

16. Confidential Information and Personal Data

- 16.1. **Confidentiality.** The Supplier is obligated to keep confidential all Confidential Information. Except for cases explicitly determined by these Terms and Conditions, the Supplier shall not disclose or otherwise make available any Confidential Information to any third parties without the Company's previous written consent. The Supplier shall not disclose the Personal Data to any third party even with the Company's consent (disclosure of the Personal Data to a third party directly by the Company at the Supplier's initiative is not excluded). The Supplier shall also not collect, gather, store, disseminate, disclose, process, use or combine with other information in any way the Confidential Information without legal justification or contrary to the Company's instructions.
- 16.2. **Purpose of the Contract.** The Supplier may access Confidential Information and, on a random basis, Personal Data only to the extent necessary for the proper performance of the Contract in the performance of or in connection with the Contract .
- 16.3. **Professional Care.** The Supplier is obliged to act with due professional care when working with Confidential Information, in particular when accessing Personal Data, so as not to cause anything that could constitute a violation of legal regulations governing the protection of Personal Data.
- 16.4. **Instructions.** The Supplier is obliged to follow the Company's documented instructions when working with Confidential Information, in particular when accessing Personal Data. The Supplier is obliged to notify the Company without undue delay of improper character of instructions, if the Supplier could reveal such improper character when paying all professional care.
- 16.5. **Processing Agreement.** If the Supplier discovers that it is necessary to process Personal Data systematically for the performance of the Contract, the Supplier shall notify the Company without undue delay and enter

into a corresponding contract with the Company for the processing of Personal Data.

- 16.6. **Termination of Cooperation.** Once the purpose that entitles the Supplier to work with the Confidential Information and access the Personal Data ceases to exist, in particular in the event of the fulfilment of the Contract or its other termination, the Supplier is obliged to return all Confidential Information, copies thereof or records thereof to the Company without delay or, if instructed by the Company, to destroy the Confidential Information. In no event shall the Supplier retain the Confidential Information or use it for any purpose other than the performance of the Contract.
- 16.7. **Incident.** The Supplier is obliged to inform the Company without undue delay, within 24 hours at the latest, of any Security Breach or even the threat of a Security Breach, if the Supplier could have known about the Security Breach or the threat thereof by exercising all professional care. If the Supplier is unable to detect an actual or threatened Security Breach in a timely manner, the Supplier shall notify the Company within 24 hours of becoming aware of the Security Breach or threat thereof. Even after providing the information to the Company, the Supplier is obliged to provide the maximum assistance in resolving the Security Breach, or, as the case may be, in taking measures to mitigate possible adverse impacts and preventing similar situations in the future. Information about a Security Breach must include at least:
 - 16.7.1. a description of the nature of the Security Breach including, if possible, the categories and approximate number of data subjects affected and the categories and approximate quantity of the Personal Data records affected;
 - 16.7.2. a description of the likely consequences of the Security Breach, and
 - 16.7.3. a description of the measures taken or proposed to address the Security Breach, including any measures to mitigate potential adverse effects.
- 16.8. **Information.** The Supplier undertakes to provide the Company with all information necessary to demonstrate that its obligations in relation to the security of Confidential Information, including security in the event of access to Confidential Information by Sub-contractors, have been complied with and to allow inspections and audits (including inspections) to be carried out by the Company or an auditor appointed by the Company and to provide all necessary assistance in relation to such inspections or audits.
- 16.9. **Policies and Decisions.** The obligation not to make available and disclose Confidential Information to any third party shall not apply as long as the Confidential Information is to be disclosed in accordance with the requirements of legal regulations or on the basis of a legal request by a court or an administrative authority with the corresponding competence. However, it shall apply at all times that if the Supplier or another entity to which the Supplier Party transmits or Confidential Information becomes obliged under the applicable legal regulation or decision to disclose any Confidential Information, the Supplier shall immediately notify the Company thereof and ensure that the entity to which

the Confidential Information will be disclosed is aware of its confidential nature.

16.10. **Disclosure.** At the Supplier's request, the Company shall disclose Confidential Information (including Personal Data) to a Subcontractor in the performance of or in connection with the Contract if the Company determines that the particular Subcontractor is able to ensure the confidentiality and integrity of the Confidential Information and that it is necessary for the performance of the Contract. The Supplier shall inform the Company of the Subcontractors whose services it intends to use and to whom the Confidential Information should be made available for that reason, as well as any intended changes regarding the use of Subcontractors requiring access to or replacement of Confidential Information. The Supplier itself is not entitled to disclose Confidential Information (in particular Personal Data) to Subcontractors. The Supplier shall ensure that the Subcontractor shall, before the Company discloses Confidential Information to the Subcontractor, undertake to comply with the same obligations relating to the protection of Confidential Information as are imposed on the Supplier in these Terms and Conditions. If a Subcontractor breaches its obligations regarding the protection of Confidential Information, the Supplier shall be jointly and severally liable to the Company for the performance of the obligations of the Subcontractor concerned.

16.11. **Contractual Penalty.** For breach of any of the Supplier's obligations under Articles 16. and 17. of these Terms and Conditions, the Company may require the Supplier to pay a contractual penalty of CZK 500,000 (in words: five hundred thousand Czech crowns) for each breach of such obligation, even repeatedly. The contractual penalty pursuant to the previous sentence shall be payable within fifteen (15) days from the date of the written notification to the Supplier by the Company. Filing a claim for a contractual penalty shall in no way affect the possible claim of the ŠkoFIN company for damages exceeding the contractual penalty.

16.12. **Impediments to Performance of the Contract.** A breach of any of the Supplier's obligations to protect Confidential Information constitutes a circumstance for which the Company may restrict or prohibit the Supplier's access to Confidential Information (in particular to Personal Data); this may make it impossible for the Company to perform all or some of its specific obligations under the Contract. The Supplier shall be fully responsible for the consequences of such restriction or prohibition of access to Confidential Information.

17. Technical and Organisational Securing of Confidential Information

17.1. **Measures.** The Supplier shall, taking into account the state of the art, the cost of implementation, the nature, scope, context and purposes of working with Confidential Information (including Personal Data) and the varying probable and varying risks to the rights and freedoms of natural persons, take all technical and organisational measures to ensure the protection of Confidential Information to eliminate the possibility of unauthorised or accidental access to Confidential

Information by third parties, its alteration, destruction or loss, unauthorised transmission, other unauthorised processing, as well as to exclude the possibility of its other misuse. This obligation continues even after you have finished working with the Confidential Information. The Supplier shall document the measures taken or implemented in a credible manner. The Supplier is obliged to adopt in particular, but not exclusively, the following organisational and technical measures:

- 17.1.1. only selected employees who have been instructed on the contents of these Terms and Conditions and on the legal regulations governing the protection of personal data will be allowed to work with Confidential Information on behalf of the Supplier,
- 17.1.2. The Supplier shall use appropriate technical equipment and software in such a manner that unauthorised or accidental access to Confidential Information by persons other than the authorised employees of the Supplier shall be excluded,
- 17.1.3. for the transmission of Confidential Information, the Supplier shall use secure methods of communication and data transmission using encryption in accordance with good practice (transmission by encrypted email and/or transmission of Confidential Information in an encrypted attachment); the Supplier will not use public or unsecured internet connections (e.g. public Wi-Fi networks) for electronic communication or data transmission,
- 17.1.4. if the Supplier exceptionally stores Confidential Information in physical form, it will store such Confidential Information in appropriately secured facilities and rooms and, in the case of retention of written documents containing Confidential Information, keep proper records of the movement of such written documents,
- 17.1.5. if the Supplier exceptionally stores Confidential Information in electronic format, it shall store such Confidential Information on secure servers or data carriers accessible only to authorised employees through unique access codes or passwords;
- 17.1.6. where the Supplier will be passing on Confidential Information to others in accordance with the Contract, the Supplier will ensure that such Confidential Information is remotely transmitted either only over a publicly accessible network or via secure transmission over public networks; and
- 17.1.7. The Supplier shall ensure the ongoing confidentiality, integrity, availability and resilience of the systems and services through which it accesses and, where applicable, stores Confidential Information.

18. Information Security

- 18.1. **Own Policy.** The Supplier is obliged to set up and fully comply with its own information security policy during the performance of the Contract and in connection with it; this policy must reflect current developments and comply with the legal regulations governing IT in force in the Czech Republic and also with "best practice" in the IT industry.
- 18.2. **Company Policy.** In addition to the Supplier's own information security policy, the Supplier is also obliged

to comply with the Company's information security policy, in particular the following, when performing the Contract and in connection with it:

- 18.2.1. The Supplier uses secure infrastructure and processes to prevent information security breaches during performance. The Supplier shall also respect the physical security rules in order to protect the Information Assets against impairment, damage/destruction, deletion, theft, alteration or unauthorised access or unapproved data/information copying/transferring.
 - 18.2.2. The Supplier has its infrastructure and services secured to enable performance to continue according to the agreed parameters. The Supplier shall arrange for the data backup related to performance by recommended secure backup practices.
 - 18.2.3. The Supplier shall regularly monitor and evaluate the security of performance-related information assets. In the event of a security breach, the Supplier is obliged to take adequate steps to remedy the situation and immediately consult with the responsible employee of the Company.
 - 18.2.4. In communication related to performance, the Supplier uses safe communication and data transmission methods, using encryption. Such activities are always based on the "Need to know" principle (i.e. information connected to the performance is not provided to persons who do not need to know it). For electronic communication or data transmission related to the performance, the Supplier does not use public or unsecured Internet connection (e.g. public wi-fi networks).
 - 18.2.5. The Supplier undertakes to protect the performance-related documentation against unauthorised access or disclosure.
 - 18.2.6. If the Data, information or carriers (e.g. flash drive) that carry or carried them are no longer required, the Supplier shall return it to the Company's IT Helpdesk or dispose of it securely and irretrievably. Upon request, the Supplier shall be prepared to provide proof of safe disposal.
 - 18.2.7. When operating in the Company premises, the Supplier shall be adequately and visibly identified with the access card. It shall also respect restricted access to certain zones and respect special conduct stipulated for such zones (it shall obtain information about the zones and their specifics from the Supplier's responsible person prior to entering the premises).
 - 18.2.8. The Supplier shall maintain the addressability (i.e., provision to a specific individual) of transmitted accesses, identities and passwords. It also protects them from unauthorised use or disclosure.
 - 18.2.9. The Supplier is entitled to request any required modifications, changes and settings within the infrastructure, systems and applications of the Company through a responsible staff member of the Company. The Supplier shall not perform such interventions itself. An exception from this rule can be approved, however, such interventions shall always be performed under the supervision of the appointed staff member of the Company.
 - 18.2.10. The Supplier shall only use HW, SW and licences acquired in a legal manner in the course of the performance and shall be entitled to use them only for purposes appropriate to the nature of the performance.
 - 18.2.11. The Supplier shall immediately inform the Company upon detection of any unusual event related to the Company or the subject of performance (this may include suspicious emails = phishing, various forms of social engineering = obtaining information or access).
- 18.3. **Integrity and Availability.** The Supplier is obliged to protect the data or information provided to it by the Company not only by ensuring its confidentiality (Articles 16. and 17. of these Terms and Conditions), but also its integrity and availability.
 - 18.4. **Inspection.** The Supplier is obliged to allow the Company to check compliance with the Company's information security principles (set out in particular in paragraph 18.2. of these Terms and Conditions) and undertakes to provide the Company with all necessary assistance. In this connection, the Supplier is obliged to provide the Company with access to all registers and records relating to the use of the Company's information systems, or to allow the Company to obtain extracts from such records and records or to carry out monitoring and analysis.
 - 18.5. **Violation.** If, during the period of performance, any of the Company's information security policies (in particular the policies referred to in paragraph 18.2 of these Terms and Conditions) are violated, the Supplier shall immediately inform the Company's IT Security Manager by email at isecurity@vwfs.cz or by telephone: +420 224 992 345.
19. **Other Guidelines**
 - 19.1. **Group Rules.** The Supplier shall also be obliged to comply with the VW Group Rules set out in the Documents in the performance of and in connection with the Contract:
 - 19.1.1. Binding Guidelines - Occupational Health and Safety - Business Partner - available at http://www.vwgroupsupply.com/one-kbp-pub/cs/kbp_public/information/procurement_conditions_new/koda_auto_a.s..html;
 - 19.1.2. Contractual conditions to ensure security in the supply chain and to prove the origin of the goods supplied - available at http://www.vwgroupsupply.com/one-kbp-pub/cs/kbp_public/information/procurement_conditions_new/koda_auto_a.s..html;
 - 19.1.3. Requirements on Suppliers active on the sites of ŠKODA AUTO a.s. regarding environment and workplace protection, occupational health and safety protection - available at http://www.vwgroupsupply.com/one-kbp-pub/cs/kbp_public/information/procurement_conditions_new/koda_auto_a.s..html;
 - 19.1.4. ON_1_035_Protection of the Environment and Working Environment - available at http://www.vwgroupsupply.com/one-kbp-pub/cs/kbp_public/information/procurement_conditions_new/koda_auto_a.s..html;

- 19.1.5. Volkswagen Group Code of Conduct for Business Partners - available at vwfs.cz/business-partners-coc,
 - 19.1.6. Sustainability requirements - available at https://www.vwgroupsupply.com/one-kbp-pub/en/kbp_public/information/nachhaltigkeit_neu_pub_2019/sustainability_requirements/basicpage_for_general_pages_html_13.html,
 - 19.1.7. Human Rights and Responsible Sourcing - available at https://www.vwgroupsupply.com/one-kbp-pub/en/kbp_public/information/nachhaltigkeit_neu_pub_2019/menschenrechte_und_der_verantwortungsvolle_rohstoffbezug/human_rights_and_responsible_sourcing.html,
 - 19.1.8. Environment - https://www.vwgroupsupply.com/one-kbp-pub/en/kbp_public/information/nachhaltigkeit_neu_pub_2019/environment/environment_1.html.
- 19.2. **Adequate Application.** If the documents referred to in paragraph 19.1. of these Terms and Conditions relate to ŠKODA AUTO a.s. or other VW Group companies or the VW Group in general, they shall apply mutatis mutandis to the relationship between the Supplier and the Company.
- 19.3. **Updates.** The Supplier is obliged to become aware thoroughly with the documents referred to in paragraph 19.1. of these Terms and Conditions and to follow any updates.

20. Final Provisions

- 20.1. **Law.** The Contract and the legal relations based on or related to it are governed by Czech law; the conflict of laws rules of Czech private international law do not apply; the Vienna Convention on Contracts for the International Sale of Goods does not apply.
- 20.2. **Courts.** Disputes between the Company and the Supplier arising out of or related to the Contract shall be decided by Czech courts. The court in whose district the Company has its registered office shall have local jurisdiction.
- 20.3. **Contact Information.** If the Parties have agreed on contact persons for communication in the performance of the Contract or in connection with it, they are always entitled to change them (contacts of their Parties) by written notice delivered to the other Party.
- 20.4. **Notices** The Parties may always deliver any legal actions and other acts (notices, invitations, etc.) to the registered office address or other similar address of the other Party entered in the Commercial Register or other similar records.