I. Subject of Purchase of Services

- 1.1. By concluding a contract between the Provider and the Recipient ("Parties"), the Provider undertakes to provide the Recipient with a performance that does not include a supply of movable property or a production of a work ("Service"), and which is specified in deeper details in the contract, which includes this T&C ("Contract"). The Recipient undertakes to take over the Service and pay the Provider the price for the Services under the conditions set out in the Contract.
- When performing the obligations under the Contract, the Provider is obliged to proceed with due diligence of expert and according to its best skills and knowledge. When performing the obligations under the Contract, the Provider is obliged to proceed in accordance with the interests of the Recipient and in accordance with the instructions of the Recipient. The Provider is obliged, with due diligence of expert, to review the Recipient's instructions immediately after receiving them, however always before the commencement of execution of such instructions. In case of inappropriate instructions of the Recipient, the Provider is obliged to immediately notify the Recipient in writing or, if this is not possible due to the circumstances, then verbally, of the unsuitability of such instructions, with a suitably detailed justification. Otherwise, the Provider shall be liable for defects as well as for detriment caused to the Recipient and / or to third parties as a result of inappropriate instructions.
- 1.3. The Provider shall provide the Service to the extent, performance, quality and manner specified in the Contract and free from any defects. The Provider shall further provide the Service in the manner specified by the standards for the respective type of Services.
- 1.4. The Provider shall provide the Service at the registered office of the Recipient. The Provider shall provide the Service on the agreed date and, if not specified, then without undue delay.

II. Price; Maturity and Invoicing

- 2.1. The price for the Services shall be final and shall include all costs of the Provider associated with the provision of the Services. Unless otherwise specified in the Contract, the price is stated without VAT and VAT will be added to the price in accordance with the applicable legislation.
- 2.2. The price for the Services shall be due on the basis of an invoice issued by the Provider and delivered to the Recipient not sooner than after the provision of the Service. The invoice shall meet all the requirements of a tax document within the meaning of the relevant legislation in force on the territory of the Czech Republic and contain materially correct and sufficiently detailed information in relation to the performance provided. The Recipient is entitled to return the invoice to the Provider if it does not contain all the requirements. By delivering a new, properly issued invoice, a new due date begins to run.
- 2.3. The invoice shall not be due sooner than 60 days after the invoice is delivered to the Recipient. The debt is fulfilled by debiting the relevant amount from the Recipient's bank account.
- 2.4. If, in accordance with Act No. 235/2004 Coll., on Value Added Tax, as amended, the Provider (i) by decision of the tax authority is designated as an unreliable payer; or (ii) require payment for taxable transactions provided under the Contract to a bank account that is not disclosed by the tax authority in a way that allows remote access, or a bank account to an account maintained by a payment service provider outside the Czech Republic; the Recipient is entitled to pay only the price for the Services without VAT to the Provider's bank account. If VAT is charged and if it is included in the payment by the Recipient, the Recipient is entitled to pay the VAT on behalf of the Provider to

the account of the relevant tax administrator. In such a case, the Recipient's debt to the Provider is deemed to have been fulfilled and the Provider is not entitled to apply interest on late payment or contractual penalties.

III. Rights from Defective Performance; Liability for Detriment

- 3.1. If the Service is not provided in accordance with point 1.3. of this T&C, the Service is provided defectively. The Recipient is obliged to notify the Provider in writing of the defect of the Service after it is found. The Provider shall remove the defect no later than within 30 days from the date of notification of the defect. For the avoidance of doubt, it is stated that the elimination of a defect means, at the choice of the Recipient (i) provision of replacement flawless Services, at the expense of the Provider of the Services; or (ii) provision of a reasonable discount on the price for the Services.
- 3.2. In case of provision of defective Services, the Recipient is entitled to carry out an inspection at the Provider and, according to its result, impose measures on the Provider in order to avoid defects in any possible other Services provided in the future. The costs of such inspection and corrective actions shall be borne by the Provider.
- 3.3. <u>A constant defect</u>. If the Provider provides the Recipient repeatedly with a Service of similar specification and if the same defect occurs in at least 10% (however in at least two cases) in each calendar year, then all provided Services of the particular specification shall be considered defective.

IV. Commitment Confirmation

- 4.1. In case of breach of the Provider's obligation under points 1.4. or 3.1. of this T&C, the Provider shall pay to the recipient a contractual penalty in the amount of 0.05% of the price for the Services for each even commenced day of delay.
- 4.2. In case of breach of the Provider's obligation under point 6.16.1. of this T&C, the Provider shall pay to the recipient a contractual penalty in the amount of 30% of the Contract value.
- 4.3. The contractual penalty shall be payable at the request of the Recipient. The exercise of the right to payment of the contractual penalty or its payment shall be without prejudice to the right to claim full compensation for the detriment.
- 4.4. Termination of the Contract shall not affect the Parties' claim for compensation for detriment, payment of a contractual penalty or other claims which, by their nature, are to continue even after the termination of the Contract.
- 4.5. In addition to the rights arising from defective performance, the recipient is also entitled to claim compensation for detriment, including, for the avoidance of doubt, also lost profits related to the suspension or delay of the Recipient's production due to a defect in the Service.

V. Export Control

- 5.1. If export or import licenses are required to provide the Service, the Provider is obliged to ensure the export license and the Recipient the import license.
- 5.2. The Provider undertakes to strictly comply with all applicable export control legislation and to establish their effective internal system of compliance therewith. In particular, the Provider undertakes to provide the Recipient with all cooperation in obtaining export or import licenses, in particular to ensure the preparation of EUC (End User Certificate) or IIC (International Import Certificate) and shall work closely with the Recipient to eliminate as soon as possible the defective condition in case of any breach of any export control rule. The Provider shall ensure demonstrable compliance with these obligations in relation to the



Terms and Conditions for the Purchase of Services effective from 01.11.2020 ("T&C")

Provider's subcontractors and shall provide written evidence to the Recipient at the request of the Recipient.

5.3. Without breach of the Contract, the Parties are not obliged to comply with the Contract to the extent affected by the administrative restrictions in the area of export/import control not caused by the Party concerned (e.g. withdrawal of the license).

VI. Other Arrangements

- 6.1. The Parties undertake to maintain confidentiality with respect to all facts which they become aware of in connection with the performance of the Contract. These facts are the trade secret of the Recipient. The Provider is not entitled to use these facts other than for the purpose of performance of the Contract.
- 6.2. The Provider is obliged to reasonably comply with the Code of Ethics and the Recipient's Anti-Corruption Code available on:

http://www.aero.cz/cz/o-nas/spolecnost/vize-mise-strategie-spolecnosti/.

- 6.3. The Recipient is entitled to update the T&C. The new wording shall be published by the Recipient on the website www.aero.cz at least 30 days before the effective date of the change. The Recipient informs the Provider about changes to the T&C also in writing, usually by notification in a form of an e-mail message, and the Provider undertakes to familiarize themselves with the updated T&C. If the Provider does not express explicit written disagreement within 10 days before the effective date of the T&C change at the latest, the new wording of the T&C becomes binding on all contractual relations between the Parties.
- 6.4. For the purposes of these T&C, the contract also means a purchase order received.
- 6.5. Unless otherwise stated in the proposal for concluding the Contract (purchase order), the deadline for accepting the proposal for concluding the Contract (purchase order) shall be 15 days.
- 6.6. The Provider's obligation to compensation for damage also includes the obligation to compensate for detriment.
- 6.7. Breach of the Provider's obligation referred to in points 1.3., 1.4. or 3.1. of the T&C shall be deemed to be a material breach of the Contract.
- 6.8. If the Party substantially violates the Contract, the other Party may withdraw from the Contract within 2 months at the latest from the date on which it became aware of such breach.
- 6.9. A party, which is prevented from fulfilling an obligation under the Contract by an insurmountable obstacle arising independently of the will of such a Party, is obliged to inform the other Party of such obstacle without delay after the occurrence of such circumstances. To avoid any doubts, it is stated that such obstacles shall not be considered to be changes in the prices or availability of input raw materials or delays for suppliers of the obligatory Party. If such circumstances last for more than 45 days, either Party shall be entitled to withdraw from the Contract.
- 6.10. The Provider may not transfer or assign their obligations and claims from the Contract to a third party, not even partially. The Provider is not entitled to set off a claim against the Recipient; an uncertain or indeterminate claim of the Recipient is eligible for set-off.
- 6.11. The Recipient, within the meaning of Section 1740 of the Act No. 89/2012 Coll., Civil Code, as amended ("OZ") excludes the possibility of accepting an offer with an amendment or derogation.
- 6.12. The Provider assumes to themselves, within the meaning of Section 1765 (2) OZ, the risk of change of circumstances.

- 6.13. In case of discrepancies between the Contract and these T&C, the provisions contained in the Contract shall prevail, but the remaining provisions of the T&C shall apply as far as possible.
- 6.14. The Contract may be changed only by written amendments signed by authorized representatives of both Parties.
- 6.15. The following provisions of the OZ shall not be applicable for the purposes of the Contract: Sections 557, 1799, 1800, 1930 (2), and 1978 (2).
- 6.16. The Contract and the legal relations resulting therefrom shall be governed by the law of the Czech Republic.
- 6.17. If the subject of the Contract is the provision of a Service within which waste is generated, the Provider shall be the originator of this waste.
- 6.18. If this is usual due to the nature of the Services provided, the Provider is obliged to have concluded a general liability insurance for damage caused in connection with the Service provided for the period of provision of the Service under the Contract. The terms of such insurance shall comply with the standards in the given industry. At the request of the Recipient, the Provider is obliged to provide the Recipient with proof of the duration of the insurance.
- 6.19. In cases where the Service consists in an activity, the result of which is an eligible subject of intangible property rights, but is not protected by industrial property rights or copyright, the Provider is not entitled to provide the result of this activity to other persons other than the Recipient. In case that the result of the Service provided is protected by copyright or industrial property rights, it shall apply that the Provider has granted the Recipient an exclusive license to use the same to the widest extent permitted by applicable legislation. The Recipient is not obliged to use the license.
- 6.20. T&C become effective on 01.11.2020.

