

GENERAL CONTRACT CONDITIONS of MENERT spol. s r.o.

1. Introduction

- 1.1. MENERT spol. s r.o. with registered office at Hlboká 3, 927 01 Šafa, registered in the Business Register of the District Court of Trnava, Section Sro, File 16641/T (hereinafter referred to as "**MENERT spol. s r.o.**") issues the following General Terms and Conditions (hereinafter referred to as "**GTC**") pursuant to the provisions of Section 273 of Act No. 513/1991 Coll., the Commercial Code, as amended (hereinafter referred to as the "**Commercial Code**").
- 1.2. These GTC are an integral part of every works contract (hereinafter referred to as the "**Contract**") in the appropriate grammatical form) concluded between MENERT spol. s r.o. as the Client and the other party as the Contractor.
- 1.3. Deviations from these GTC shall only be valid if they are set out in writing in the Contract. In case of doubt, contractually agreed deviations from these GTC shall prevail.
- 1.4. These GTC shall be effective if the Contractor confirms in writing in the Contract that it is aware of them or that they are attached to the Contract. By such acts, the Contractor shall be deemed to have accepted them and to have agreed to contents thereof and to comply therewith.

2. Basic concepts

- 2.1. The Client is MENERT spol. s r.o.
- 2.2. The Contractor is a natural person or a legal entity that performs (makes) the Work on the basis of the Contract concluded with the Client.
- 2.3. The Principal (Client) is a natural or legal person which is in a special contractual relationship with the Client and is named in the Contract.
- 2.4. The Main Works Contract is the works contract concluded between the Principal and the Client.
- 2.5. The (Contracting) Parties are the Client and the Contractor.
- 2.6. A Works Contract is any written instrument by that name, but also any mutually confirmed proposals of the Parties which contain the essential elements such as: the parties, the subject matter of the contract, the price, the period of performance. For the avoidance of doubt, it is stated that the purchase order shall also be deemed to be such an instrument. A works contract shall always be in writing. This form of legal act is also required when the contractual relationship is changed or terminated.
- 2.7. Work means the making of a thing, the assembly of a thing, the maintenance of a thing, the making of repairs or alterations to a thing or the tangible result of another activity.
- 2.8. Construction Site is the place where the Work is to be carried out and the communications connected to it.

- 2.9. The bill of quantities is an indicative defined range of individual items, e.g. materials used, works, etc.

- 2.10. Documentation is a set of documents and documents that are necessary for the proper execution of the Work.

3. Creation of the Contract

- 3.1. On the basis of the order and other documents for the conclusion of the Contract (e.g. quotation), MENERT spol. s r.o. shall submit the draft Contract to the Contractor for acceptance.
- 3.2. The Contract shall be deemed to be concluded on the date of its signature by the authorised representatives of both Parties.

4. Subject of performance

- 4.1. The specification of the scope of performance shall be made for each Work separately, by written agreement of the Parties.

5. Period of performance

- 5.1. The Contractor undertakes to perform the Work within the contractually agreed time limit and to observe the agreed partial dates for the execution of the Work (stages of the execution of the Work).
- 5.2. In the event of a postponement of the date of performance for reasons solely on the part of the Client, the other agreed dates of performance of the subject of the Contract shall be extended accordingly.
- 5.3. The Work shall be deemed to have been handed over when the last part of the Work has been completely handed over to the Client. A handover and acceptance protocol shall be drawn up upon the acceptance and handover of the Work. The Work shall be accepted by a written declaration of unconditional acceptance of the Work by the Client in the handover and acceptance protocol. The Contractor shall be obliged to invite the Client to take over the Work at least 3 days before the handover date.
- 5.4. The handover of the Work shall take place between the Parties in the presence of the Contractor's subcontractors. For this purpose, the Contractor shall ensure the presence of authorised representatives of its subcontractors.
- 5.5. If the Work shows defects during the acceptance procedure, the Client shall not accept the Work or shall accept it with reservation. The Client shall describe the defects in the handover and acceptance protocol (reservations). If the Contractor fails to remedy the defects in the Work as identified in the protocol within a reasonable time or within the contractually agreed time limit, the Work shall not be deemed to be completed and the Client shall not be obliged to accept the offered Work. The Parties agree to consider a period of 7 calendar days as a reasonable time.

6. Place of performance

- 6.1. The place of performance shall be determined separately for each Contract.

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7. Price

- 7.1. The price of the Work shall be determined in the individual Contract in accordance with the provisions of Act No. 18/1996 Coll. on prices as amended and in accordance with Decree No. 87/1996 Coll. implementing Act No. 18/1996 Coll. on prices as amended. The price of the Work shall be charged at the relevant VAT rate valid and effective at the time of the taxable performance.
- 7.2. The price of the Work includes all direct, indirect and overhead costs of the Contractor. The price includes all costs for the execution of the Work, e.g. transport costs, storage costs, design of the Work, certificates, inspection reports, waste disposal documents, digital map, noise and light measurements, water and air analyses, surveys, excavations, digs, manuals, individual testing of the Work, participation in the comprehensive testing of the Work, including all costs necessary for the complete execution of all contractual performances and the performance of the subject matter of the Contract in such a way as to make the Work approvable and fit for use. The Contractor declares that the price is complete and has been prepared on the basis of the project documentation, building permits, statements and decisions of the competent authorities, which are sufficient in content and technically for the execution of the Work, and the dimensions have been calculated and priced in their entirety. The Contractor shall not be entitled to an increase in the price due to a miscalculation.
- 7.3. Any change in the price for the performance of the Work must be agreed in writing by the Contractor and the Client. Without the written consent of the Client in the form of a written addendum to the Contract, the Contractor shall not be entitled to charge a higher amount than that agreed in the Contract. In case of doubt, the price for the performance of the Work shall be deemed to be final and to include any extra work.

8. Payment terms

- 8.1. The Contractor is entitled and also obliged to invoice the price of the Work (part of the Work) on the date of the taxable performance (date of execution of the Work or part of the Work) and is obliged to deliver the issued invoice (tax document) to the Client within 7 calendar days from the date of the taxable performance.
- 8.2. The invoice shall be payable within 60 days from the date of its issue, provided that the procedure set out in Clause 8.3 of these GTC does not apply.
- 8.3. If the Contractor fails to comply with the obligation in clause 8.1 or indicates a due date on the invoice shorter than that specified in clause 8.2, it shall be presumed that the minimum due date of the invoice is at least 90 calendar days from the date of delivery of the invoice to the Client's registered office.

- 8.4. The invoice shall be deemed to have been paid on the date on which the invoiced amount is debited from the Client's account to the Contractor's account.
- 8.5. Invoices must contain the particulars in accordance with the applicable legislation. Invoices shall simultaneously state the name of the Work or part of the Work as well as the Contract number to which the invoice relates. The Client may return the invoice if it contains incorrect information. Together with the return of the invoice, the Client must state the reason for the return. Upon return of the invoice, the due date shall cease to apply. The Contractor is obliged to correct or reissue the invoice according to the nature of the incorrectness. The new due date shall run again from the date of the corrected or reissued invoice.
- 8.6. In the event of non-completion of the Work, the Contractor shall charge the Client the price of the demonstrably incurred costs for the execution of the Work.
- 8.7. The Client shall pay the invoice issued to the Contractor up to 90% of the price of the Work.
- 8.8. The Parties agree that 5% of the price of the Work (excluding VAT) is a retainer and 5% of the price of the Work (excluding VAT) is a guarantee security. The retainer and the guarantee security may be withheld by the Client in order to secure the Contractor's commitment to the proper and timely performance of the subject matter of the Contract. The Parties agree that the Client is entitled to satisfy by unilateral set-off from the retainer and guarantee security its claims for defects in the Work, claims for contractual penalty, damages, additional costs and losses of the Client arising from the failure of the Contractor to meet the deadline for handing over the Work, costs incurred by the Client as a result of the withdrawal from the Contract, even if the retainer or guarantee security is not yet due.
- 8.9. The retainer shall be paid by the Client to the Contractor within 60 days from the date of handover of the Work free from defects and imperfections and after release of the retainer by the Principal Client and after the Contractor has fulfilled all of the Contractor's obligations under the Contract and/or these GTC. Guarantee security shall be paid by the Client to the Contractor after the expiry of the warranty period upon written request by the Contractor and upon fulfilment of all the Contractor's obligations under the Contract and/or these GTC.
- 8.10. The Parties agree that the arrangements for retention and payment of invoices are not grossly disproportionate to the Contractor's rights and obligations under the engagement and that there is just cause for them as a means of ensuring that the Contractor's obligations to perform the Work are fulfilled in a proper, timely and defect-free manner.

9. Warranty period - liability for defects

- 9.1. The Contractor is responsible for the fact that the Work performed will correspond to the agreed quality, the relevant STN and EN standards, the ordered scope and will have the agreed properties,

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- or parameters, specified in the Contract and in the technical part of the Contract.
- 9.2. A defect in the Work shall be understood as a deviation from the quality, scope and parameters of the Work as specified in the Project or the Contract or generally binding regulations or relevant standards. If the Client's instructions or the project documentation determine the quality, scope and parameters of the Work in deviation from the relevant STNs, the Contractor is obliged to notify the Client in writing according to which documents it intends to proceed. The Contractor shall also be liable for defects in the Work that existed prior to the handover of the Work but became apparent only after the handover of the Work (hidden defects).
- 9.3. The Contractor is liable for defects in the Work at the time of its handover to the Client. The Contractor shall be liable for defects that have become apparent after the handover of the Work during the warranty period.
- 9.4. The warranty period shall be agreed separately according to the nature of the Work, and if there is no such agreement, the warranty periods under the Commercial Code shall apply. The warranty period shall be calculated from the day following the day on which the Work is accepted without defects or imperfections.
- 9.5. The warranty period does not last for the period during which the Client or the Principal Client cannot use the Work due to its defects for which the Contractor is responsible.
- 9.6. In the event of a complaint, the Contractor is obliged to proceed without undue delay, but at the latest within 24 hours of notification of the defects, to remove the defects and to remedy them at its own expense within the agreed time limit, otherwise within a time limit appropriate to the nature of the defects. If the Contractor fails to remove the defects within the aforementioned time, the Client shall have the right to withdraw from the Contract or to demand an appropriate reduction in the price of the Work. This is without prejudice to the right to contractual penalty and compensation for damages. This shall also be due to the Client for the time during which it cannot use the Work properly due to defects, even if the Contractor manages to repair them properly.
- 9.7. The Contractor is not liable for defects caused by the use of materials received from the Client, if the Contractor could not have detected their unsuitability even with the exercise of all due diligence and notified the Client in writing and the Client insisted on their use.
- 9.8. The Contractor undertakes to remedy, if requested by the Client, also defects for which it denies liability, with the understanding that the question of liability and costs will be dealt with subsequently.
- 9.9. If the removal of the defect would be associated with disproportionately high costs and the defect does not prevent the proper use of the Work, or part thereof, the Parties may agree on a reasonable discount from the price of the Work.
- 9.10. The Client is obliged to submit a report on the defects of the Work (complaint) in writing to the Contractor or to a person authorised by it without undue delay. In the report, it shall specify all the defects found, the manner in which they manifest themselves and its requirements. If the Contractor does not accept the validity of the complaint, the dispute shall be decided by the locally competent court.
- 9.11. The Contractor is obliged to conclude an insurance policy to insure against damages arising from its own activities. The Contractor is also obliged to collect the insurance company's indemnity in favour of the Client in the minimum amount of the contractually agreed price of the Work, unless a different amount of the indemnity is agreed in the Contract. Failure to comply with this obligation, as well as the termination of the insurance contract already concluded during the performance of the subject of the Contract until the protocol acceptance of the Work, shall be grounds for immediate withdrawal from the Contract by the Client. This shall be without prejudice to the right to compensation for damage caused by defects in the Work which could not be claimed as an insured event under the insurance contract and/or if the damage caused was greater than the insurance indemnity.
- 9.12. If the subject of the Work is also the result of an activity protected by an industrial or intellectual property right, the Contractor grants consent to its use, modifications or possible changes for the purposes of the Client only.
- 10. Liability for personal injury**
- 10.1. The Contractor shall be liable for all damages and personal injuries caused to the Client or its employees and subcontractors in connection with the execution of the Contract or which are demonstrably caused by a defect in the Work.
- 11. Sanctions**
- 11.1. The Contractor undertakes to pay a contractual penalty of 0.05% of the price of the Work for each day of delay in the agreed date of delivery of the Work.
- 11.2. If the Contractor fails to rectify defects in the Work within the time limit specified in the Contract or the GTC, if the time limit is not within a reasonable time, the Contractor shall be liable to pay the Client a contractual penalty of 0.05 % of the price of the Work for each day of delay.
- 11.3. The Client undertakes to pay default interest at the rate of 0.02 % on the unpaid part of the invoice for each day of delay in payment.
- 11.4. The Contractor undertakes to pay a contractual penalty of 10 % of the total price of the Work in the event that the Work does not comply with the provisions of clause 9.1 of these GTC upon acceptance.
- 11.5. In the event that any fine, penalty or other type of sanction is imposed on the Client by the competent authority as a result of a breach of the Contractor's obligations under the provisions of these GTC or the Contract, the Contractor undertakes to indemnify the

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- Client in the amount of the fine, penalty or other type of sanction imposed on the Client.
- 11.6. If the Contractor is in delay with the removal of defects and imperfections within the agreed time limit or within the set time limit, the Client is entitled to claim a contractual penalty of EUR 100 for each defect and imperfection for each day of delay in their removal.
- 11.7. If the Contractor fails to start the execution of the Work within the time limit agreed under the Contract, the Client is entitled to a contractual penalty of EUR 100,- for each day of delay.
- 11.8. If the Contractor does not start the removal of defects and/or imperfections within the agreed time limit or the delay is unreasonably prolonged, the Client is entitled to have the defects and/or imperfections removed by a third party, at the Contractor's expense. The Client is entitled to use retained funds to cover the costs incurred for the removal of defects and/or defects by a third party, whereby the Contractor is no longer entitled to the payment of these retained funds to the Client. This shall not affect the Client's entitlement to payment of contractual penalties.
- 11.9. For the purpose of calculating the amount of the contractual penalty, if the contractual penalty is agreed upon as a percentage of the price of the Work, the price of the Work shall be the amount specified in the Contract or resulting from the Contract as the total price of the Work excluding VAT, if a fixed price of the Work is agreed upon; otherwise, the amount specified in the Contract or resulting from the Contract as the total maximum (not to be exceeded) price of the Work excluding VAT, or the amount specified in the Contract or resulting from the Contract as the total estimated price of the Work excluding VAT.
- 11.10. The right to compensation for damages under the contractual penalty clause is hereby not affected. The Contractor is obliged to pay the contractual penalty even if the breach of duty was not caused by the Contractor.
- 12. Contractor's rights and obligations**
- 12.1. The Contractor is obliged to carry out the Work on its own behalf, at its own expense and under its own responsibility.
- 12.2. The Contractor undertakes to carry out the Work in the scope and quality according to the Contract and the project documentation, possibly with its agreed changes, in accordance with building permits and other permits necessary for the construction, statements of the concerned organisations and state administration bodies, generally binding legal regulations, valid technical standards, especially STN and EN, as well as instructions and internal regulations of the Client, which the Contractor has been acquainted with. The Work also includes all inspections, tests, measurements to be carried out prior to the start of comprehensive testing, including comprehensive testing.
- 12.3. The Contractor is obliged to perform the Work within the time agreed under the Contract. If the nature of the Work permits, the Contractor may perform the Work before the agreed time.
- 12.4. If the Contractor's obligation to perform the Work is terminated otherwise than by performance, the Contractor is obliged to hand over to the Client the documents necessary for the use of the Work with regard to the performance which it has already performed in the course of the Work.
- 12.5. If the Contractor is notified by the Client of a defective performance during the execution of the Work, the Contractor undertakes to remedy the defective performance and to execute the Work properly, i.e. according to the conditions agreed in the Contract, within the time limit set by the Client.
- 12.6. The Contractor is obliged to carry out the Work independently. The Contractor may only entrust another person to carry out the Work on the basis of the express written consent of the Client confirmed by the statutory body of the Client. When another person carries out the Work, the Contractor shall be liable as if it had carried out the Work itself.
- 12.7. The Contractor undertakes to ensure that the disclosure of confidential information is restricted to those employees who, by virtue of their job description, need to know it, and that these employees are bound to maintain confidentiality of the confidential information.
- 12.8. The Contractor shall ensure that third parties which are involved in the execution of the Work also maintain confidentiality.
- 12.9. The Contractor shall not make copies or reproductions of confidential information beyond what is reasonably necessary.
- 12.10. The Contractor shall comply with the regulations governing occupational safety and health, the regulations governing fire protection, the regulations governing environmental protection, and the regulations governing labour inspection and illegal work and employment.
- 12.11. The Contractor undertakes to notify the Client of complaints or other suggestions from third parties concerning the execution of the Work or the construction without undue delay after becoming aware of them.
- 12.12. The Contractor shall be entitled to payment of the contract price in accordance with these GTC or the Contract.
- 12.13. The Contractor is obliged to meet the commencement and handover dates specified in the Contract.
- 12.14. The Contractor is obliged to ensure the cleanliness of the roads on which it delivers the material for transporting the machinery. Any damage caused by a breach of this obligation shall be borne by the Contractor.
- 12.15. The Contractor is responsible for the cleanliness and orderliness of the Construction Site, for the protection of the environment of the surrounding areas, including the observance of night and Sunday quiet hours, and undertakes to remove the waste resulting from its activities on an ongoing basis at its own expense. If the Contractor does not remove such waste

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- on an ongoing basis, the Client may remove the waste at the Contractor's expense.
- 12.16. The Contractor is obliged to comply with all conditions of the building permit as well as all statements and decisions of state administration authorities and other organisations, which are part of the project documentation, and will bear any damages resulting from non-compliance with the requirements and instructions specified in the said statements and decisions.
- 12.17. If, in connection with the commencement of the Work or during its execution, it is necessary to place or relocate traffic signs in accordance with the regulations on roads, the Contractor shall procure and pay for these works at its own expense within the total price of the Work. The Contractor is obliged to have the temporary road markings approved by the relevant traffic commission.
- 12.18. The Contractor shall comply with all instructions of the Client and shall act accurately and consistently in accordance with the Client's instructions and regulations, provided that they are not in conflict with the approved project documentation.
- 12.19. The Contractor is obliged to keep a Construction Diary from the time of taking over the Construction Site. The details are regulated in Art. 14 of these GTC. If the Contractor is obliged under the Contract to keep an assembly diary, the provisions on the Construction Diary shall apply mutatis mutandis to the Contractor's obligations to keep an assembly diary.
- 12.20. The Contractor may use the site only for purposes related to the construction of the Work. Only the access roads specified in the record of handover and acceptance of the Construction Site or designated by the Client may be used for access or entry to the Construction Site; the Contractor is obliged to use only the premises designated by the Client for parking vehicles on the Construction Site.
- 12.21. If the Contractor has any comments on the type of Work specified in the project or on the way it is to be carried out, it must notify the Client in writing without undue delay. This does not relieve the Contractor of responsibility for the performance of the Contract.
- 12.22. The Contractor is obliged to repair any damage caused by it or caused damage during the execution of the Work by restoring the damaged item to its original condition or by paying the damage caused in full to the account of the damaged party.
- 12.23. The Contractor is obliged to hand over to the Client within 30 days from the date of signing of the Contract the user manual for the Work or part thereof.
- 12.24. The Contractor is obliged to vacate the Construction Site within the period agreed in the handover and acceptance protocol.
- 12.25. The Client may, at any time, require the Contractor to remove without delay any subcontractor who, in the Client's opinion, is unfit or negligent in the proper performance of its duties. The recalled subcontractor shall be replaced by the Contractor as soon as possible by another subcontractor. The cancellation of the subcontractor shall not alter the time limits for completion of the Work or the contract price.
- 12.26. The Contractor is obliged, upon the request of the Client, to allow the Client's authorised employees to carry out an audit at its premises aimed at verifying compliance with the management of processes that may have an impact on the quality of the Work, the environment and occupational health and safety.
- 12.27. If the Client requires works and deliveries which are not subject to the Contract, the Contractor undertakes to carry out such works and deliveries, provided that the Client and the Contractor subsequently agree to conclude an amendment to the Contract. The Contractor shall commence the execution of such works within 3 days of the Client's request at the latest.
- 12.28. If the Contractor becomes overindebted or insolvent, it must inform the Client of this fact within 5 days of the date on which the Contractor became overindebted or insolvent.
- 12.29. The Contractor declares that as of the date of signing of the Contract it is not registered/published in the relevant list of persons maintained by the Financial Directorate of the Slovak Republic pursuant to Section 69, paragraph 14, letter b) of the applicable Value Added Tax Act and/or that there are no grounds for cancellation of registration pursuant to Section 81, paragraph 4, letter b) of the applicable Value Added Tax Act. If the Contractor is published on such a list and/or has grounds for deregistration under the applicable VAT Act, it shall inform the Client in writing of this fact within 3 days of the occurrence of such a fact.
- 12.30. The Contractor declares that it employs all of its employees through whom it provides performance under the Contract lawfully in accordance with the relevant legislation. It also declares that the third party through which it provides performance under the Contract employs all its employees involved in the performance of the Contract lawfully in accordance with the relevant legislation. The Contractor undertakes to provide the Client with the relevant evidence of the legal employment of its employees (relevant certificates of the Social Insurance Institution) through whom it provides the performance under the Contract no later than 5 days prior to their commencement of work under the Contract.
- 12.31. The Contractor undertakes to reimburse the Client, within 7 working days of the Client's request, for all costs associated with the imposition of a fine on the Client for a breach of the prohibition on accepting a service provided by the Contractor through an individual illegally employed by the Contractor and/or illegally employed by a third party through whom the Contractor is providing a performance under the Contract.
- 13. Rights and Obligations of the Client**
- 13.1. The Client is obliged to hand over the Construction Site to the Contractor in a condition corresponding to the project conditions.
- 13.2. The Client is obliged to provide the Contractor with the documentation necessary for the proper performance of the Contractor's obligation. This is

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- documentation which the Contractor is unable to obtain without the cooperation of the Client.
- 13.3. The Client is obliged to accept the duly completed Work within the time specified under the Contract.
- 13.4. The Client may require the Contractor to provide an insurance policy against liability for damages caused by its activities.
- 13.5. The Client shall have the right to inspect all works and structures that become obscured or inaccessible as the Work progresses. Consent to the covering of the works shall be given by the Client in the form of an entry in the Construction Diary.
- 13.6. The Client is entitled to instruct the Contractor to suspend the works at any time during the execution of the Work for reasons on the part of the Client, the Principal Client, third parties or due to hidden obstacles on the Construction Site for the duration of the obstacles preventing the smooth execution of the Work. Once these obstacles have been removed, the Contractor shall proceed with the execution of the Work at the request of the Client, unless otherwise agreed. The dates for the execution of the Work shall be adjusted accordingly for the period of such interruption by agreement between the Client and the Contractor.
- 13.7. Authorised representatives of the Client must be allowed to inspect the Work at each stage of its execution, the Contractor is obliged to allow the Client access to the production areas, warehouse areas and areas in which the execution of the Work is being prepared in order to inspect the execution of the subject of the Contract. If the Client discovers that the Contractor is in breach of its obligations, the Client shall have the right to demand that the Contractor remedy the defects arising from the defective execution of the Work and continue to execute it properly.
- 13.8. The Client reserves the right to require the Contractor to perform any performance forming part of the subject matter of the Contract through a third party designated by the Client, which must be exercised within 30 days from the date of signing the Contract. In such case, the Contractor shall be obliged to enter into a separate contractual relationship with the person so designated. In the event of a nomination, the price of the Work shall be adjusted by deduction or addition by the difference between the price of the nominated subcontract and the relevant part of the price of the Work or the relevant unit prices. The exercise of a nominated subcontract by the Client shall not give the Contractor any right to a coordination premium. The Contractor shall be liable for the acts of the nominated subcontractors as if it had acted itself.
- 13.9. The Client's Project Manager is entitled, among other things, to issue instructions to the Contractor determining the manner of execution of the Work, in particular:
- an order for additional tests or quality checks to be carried out,
 - suspension of the execution of the works or parts thereof,
 - removal and/or replacement of work and/or material that does not meet the quality requirements of the Client.
- 13.10. The Client is entitled to withhold and not to pay to the Contractor the amount of VAT from each invoice issued by the Contractor in case the Contractor is or will be registered/published in the relevant list of persons maintained by the Financial Directorate of the Slovak Republic pursuant to Section 69, paragraph 14, letter b) of the applicable Value Added Tax Act and/or the reasons for cancellation of registration pursuant to Section 81, paragraph 4, letter b) of the applicable Value Added Tax Act have arisen for the Contractor.
- 13.11. The Client shall be entitled to refuse to pay the price due for the Work, or part thereof, if the Contractor is in default in the performance of its obligations under the Contract or these GTC.
- 13.12. The Client is entitled to set off its outstanding monetary claims arising from the Contractor's liability for defects against the Contractor's claim for payment of the retainer. To the extent of the set-off, the Contractor's right to payment of the retainer shall be extinguished.
- 13.13. The Client is entitled to require the Contractor to provide relevant evidence of the legal employment of its employees (relevant certificates from the Social Insurance Institution), through whom it provides performance under the Contract.
- 14. Construction diary**
- 14.1. The Contractor shall keep a Construction Diary at the place where the Work is to be carried out, in which all facts relevant to the performance of the Contract shall be recorded.
- 14.2. The Construction Diary shall have numbered pages, shall not include blank or torn out spots, and the Contractor shall keep it with at least two copies, one of which it shall hand over to the Client at the latest at the beginning of working hours on the day following the day on which the entry is made, and the other of which it shall, as a rule, keep separate from the original so that it can replace the original in the event of its loss, theft or destruction.
- 14.3. During working hours, the Construction Diary must be permanently accessible on site, and entries in the diary may only be made by:
- A person designated by the Contractor to do so,
 - The construction supervisor of the Client, or its representative, or another authorized representative of the Client,
 - Author's supervision,
 - State Building Supervision representative,
 - Representative of the designer of the Work.
- 14.4. The Contractor shall designate, at the latest before the start of the Work, by an initial entry in the Construction Diary, the worker who will represent the Contractor on site during the execution of the Work and shall notify the Client in writing of their name.

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- 14.5. Each entry in the Construction Diary must be signed by the Contractor's representative designated under clause 14.4 of this Article and the Client's designated representative.
- 14.6. The Parties undertake to make comments in the Construction Diary on those entries on which either Party requests a comment within 3 working days at the latest. If the requested party does not comment on the entry in the Construction Diary within 3 working days, the entry shall be deemed to have been agreed. The request for comments shall be made in writing in the Construction Diary.
- 14.7. The Contractor is obliged to invite the Client to inspect the works that become inaccessible in the next work procedure, the invitation must be made in writing by entry in the Construction Diary and also to communicate this fact electronically. If the Client does not appear for inspection of the works within 3 working days after being invited by the Contractor to inspect the works, without giving a valid reason in writing, such works shall be deemed to have been inspected. The Client shall be liable to pay the cost of the additional disclosure, if disclosure is requested, only if, after the additional disclosure, it is established that the Works have been carried out in accordance with the Contract and these GTC.
- 15. Occupational health and safety, fire protection and environmental protection**
- 15.1. The Contractor is obliged to comply with generally binding legal regulations governing occupational safety and health.
- 15.2. The Contractor's employees are obliged to carry out the work, operate the equipment and use the tools, substances and other means in the usual manner and for the purpose for which they are intended, as well as in accordance with the knowledge that is part of the knowledge and skills within the scope of the acquired professional competence.
- 15.3. Where the operation of certain machinery and equipment and the performance of certain activities require the acquisition of a specified degree of qualification or experience, as laid down in special regulations, the Contractor's employee is only authorised to operate or perform them if they meet the conditions laid down in the special regulation.
- 15.4. The Contractor's employees are entitled to stay on the Construction Site only where they are performing their work duties and in places designated by the Client.
- 15.5. The Contractor's employees are obliged to maintain order and cleanliness on the Construction Site.
- 15.6. The Contractor is obliged to provide training, retraining and familiarisation with generally binding regulations and rules of safety and health protection at the workplace for its employees working on the Construction Site.
- 15.7. The Contractor shall immediately notify the Client of any health and safety risk on the site that is known to the Contractor. In the event of an acute imminent danger, the Contractor is obliged to take action to prevent damage and to inform the Client immediately of the situation. The Contractor shall instruct its employees accordingly, who shall fulfil the information obligation by notifying the Client directly.
- 15.8. The Contractor is obliged to provide the necessary protective equipment for its employees, the use of which it is obliged to require and control.
- 15.9. The Contractor is obliged to comply with the provisions of the applicable regulations governing the recording and registration of accidents at work.
- 15.10. The Contractor is obliged to comply with all applicable regulations governing fire protection.
- 15.11. For the purposes of these GTC, any person which has been authorised by the Contractor to carry out work on the Construction Site or which has been granted access to the Construction Site shall also be deemed to be an employee of the Contractor.
- 15.12. The Client is entitled to control the compliance with health and safety regulations on the Construction Site by the Contractor's employees.
- 15.13. In the event that the Contractor or its employee breaches any of the obligations imposed on the Contractor or its employee under this Article of the GTC and, in particular, any injury, illness, death or damage of any kind is caused or occurs as a result of such breach, the Contractor shall be held wholly liable.
- 15.14. The Contractor undertakes to comply with the applicable legislation governing waste management when dealing with waste arising from the execution of the Work. The Contractor is obliged to ensure waste management in accordance with the general binding legal regulations, the Contractor undertakes to hand over to the Client the documents on waste disposal.
- 15.15. In the event that it is necessary to carry out some works from public spaces, the Contractor is obliged to secure the Construction Site so as not to endanger the health of citizens, or to avoid causing damage to the property of citizens, damage to other people's land, movable property and immovable property.
- 15.16. The Contractor is obliged to carry out the Work in such a way that the technology or equipment used does not deteriorate the environment on the Construction Site or in its surroundings beyond the permissible level. This includes in particular the following negative effects: harmful exhalations, noise, heat, shocks, vibrations, dust, odours, water pollution, glare, shading, etc. The Contractor may deteriorate the environment beyond the permissible level only exceptionally and only with the permission of the competent state authority.
- 15.17. Employees of the Contractor or employees of the Contractor's subcontractors must, among other things, be equipped with reflective vests bearing the name or trade name or logo of the Contractor, which they must wear while carrying out the Work.
- 15.18. The Contractor acknowledges that MENERT spol. s r.o. is committed to continuously improving its environmental performance through the premium tool

of the EMAS scheme. The scheme has been implemented at the operations, and at the construction sites. In the spirit of continuous improvement of environmental performance, we involve our employees, subcontractors, partners and other stakeholders in the process of environmental protection and green construction and refurbishment. By actively seeking ways to reduce the negative impacts of our projects, products and services throughout their life cycle, we strive for continuous improvement in environmental performance in the country and around the world. MENERT spol. s r.o.'s long-term goals are to promote the efficient use of energy and the reduction of climate change-related gas emissions, to work towards zero waste and waste recycling, and to work responsibly with suppliers of construction works and materials to improve the environment. With its activities, MENERT spol. s r.o. fulfils the programme declarations of the Government of the Slovak Republic and EU programme declarations in the field of environment and tries to mitigate the impact of construction and engineering activities on fauna, flora and ecosystems, to reduce harmful emissions into the air arising from engineering and construction activities.

16. Force Majeure

- 16.1. Non-performance by a party shall be admissible if that party proves that the non-performance was caused by an obstacle beyond its control and that it could not reasonably have been expected to have foreseen it at the time of the conclusion of the Contract or to have averted or overcome the obstacle or its consequences.
- 16.2. If the impediment is only transitory, non-performance is permissible only for as long as its effect on performance of the Contract continues.
- 16.3. The defaulting party shall promptly notify the other party of the impediment and the effects of the impediment on its ability to perform. If the other party has not received notice within a reasonable time, but not later than 10 business days after the non-performing party knew or should have known of the impediment, the party in breach of its obligation under this clause of these GTC shall be liable for any damage caused by such failure to notify.
- 16.4. The provisions of this Article shall not prevent the Parties from exercising the right to withdraw from the Contract if the Force Majeure lasts for more than 2 months. The Parties shall issue counterclaims to each other within 30 days from the date of delivery of the withdrawal from the Contract to the other party. In the event that delivery of the consideration is not possible, the Parties shall be obliged to deliver within the same period the consideration in money on the basis of a demonstrable quantification by the other party.
- 16.5. Force Majeure shall be considered by the Parties to include, but not be limited to, natural disasters, epidemics, revolutions, insurrections, sabotage, terrorism, mobilizations and wars.

17. Right of ownership

- 17.1. The ownership right to the Work and the risk of damage to it shall pass to the Client on the date of written and unconditional handover and acceptance of the Work.
- 17.2. If the Contractor constructs the item at the Client's premises, on the Client's land or on land acquired by the Client, the Client is the owner of the item, however, the risk of damage is borne by the Contractor until the Work is unconditionally handed over and accepted.
- 17.3. The Contractor shall be liable for damages caused by its activities to the property of the Client, the Principal or third parties.
- 17.4. If the subject of the Contract is the maintenance, repair or modification of an item, the risk of damage passes to the Contractor. Title to such item shall not pass to the Contractor.
- 17.5. The Contractor declares that any materials and equipment supplied by it which are necessary for the execution of the Work are not encumbered by third party rights and that these materials and equipment are its property.

18. Obligation of confidentiality

- 18.1. The Contractor undertakes to maintain the confidentiality of information obtained in the performance of the subject matter of this Contract.
- 18.2. Confidentiality applies to all information obtained in the performance of the Contract except:
 - information generally known at the time of the conclusion of the Contract in question, or information that becomes generally known by publication by the owner of the information,
 - information that was demonstrably owned by the disclosing party prior to the execution of the Contract in question,
 - information provided by a third party without limiting the authority to disclose it.
- 18.3. The Contractor undertakes to pass on the information only to its employees and employees of subcontractors which will use it in the performance of their duties under the Contract. The Contractor shall ensure that its employees are bound to confidentiality within the scope of these GTC.
- 18.4. The Contractor undertakes not to use the information provided by the Client for purposes other than those for which it was provided without the prior written consent of the Client. The Contractor undertakes to return all information and copies of the information provided on a tangible substrate to the Client on request.
- 18.5. The Parties agree that information on the subject matter and price of the Work under the Contract shall also be considered confidential.
- 18.6. The Contractor declares that the content of the confidentiality agreement is clear and acceptable to it and that it will comply therewith. In the event of a breach of this confidentiality, the Client may claim compensation for damages if damages are incurred as a result of the breach of this confidentiality.

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18.7. The Contractor undertakes not to disclose the results achieved in the solution of the subject of the Contract or in connection with this solution to a third party without the prior written consent of the Client.

18.8. For violation of the provisions of Article 18. of the GTC, the Contractor, its employees and employees of the subcontractor are liable in accordance with the applicable legislation (including criminal liability). In the event of a breach of these obligations, the Contractor is also obliged to pay the Client a contractual penalty of EUR 20,000.00, without prejudice to the claim for damages, which can be recovered separately.

18.9. The provisions of Article 18 hereof shall remain in effect for a period of 20 years from the termination of this Contract.

19. Intellectual property protection

19.1. If the results of the solution lead to patent protection, the right to the patent and the know-how will pass exclusively to the Client. This is without prejudice to the rights of origin. Patent protection for the above inventions shall be ensured by the Client. Licensing agreements with third parties for these inventions shall be concluded exclusively by the Client.

19.2. The Contractor undertakes that if its employee or another person which is in an employment relationship with it within the meaning of Section 11(1) of Act No. 435/2001 Coll. notifies it of the creation of the invention, it will immediately notify the Client of this fact. At the same time, it shall hand over to the commissioning authority all the documents necessary for the exercise of the right to the solution against the originator.

19.3. The Parties agree that the Contractor assigns by this Contract all of its rights as an employer under Act No. 435/2001 Coll. to the Client, which accepts them.

19.4. Similarly, the Parties shall also proceed in the case of improvements and know-how, utility models, designs and other industrial rights in accordance with the relevant legislation as in Clauses 19.2 and 19.3.

19.5. The Contractor declares that it waives the industrial property rights to the finished Work.

19.6. These provisions are without prejudice to the rights of the originators of the created industrial property items which are employees of the Client. The rights of the originators or co-inventors which are employees of the Contractor shall be settled by the Contractor in accordance with the provisions of Section 11(5) of Act No. 435/2001 Coll.

19.7. Should the Contractor violate any of its obligations set out in Clauses 19.2 to 19.5 of this Article, it undertakes to compensate the Client for the damage incurred by the latter, including loss of profit.

19.8. The obligation of the Parties to remunerate the inventor shall be governed by the laws in force in the Slovak Republic.

19.9. The Contractor declares that the Work is authentic and not liable to unauthorised interference with the subject matter of industrial rights.

19.10. By signing the Contract, the Contractor gives its consent to the Client to make changes to the Work performed.

20. Withdrawal from the Contract

20.1. The Parties consider the following to be a material breach of the Contract:

- if the party in breach of the Contract knew or could reasonably have foreseen, taking into account the purpose of the Contract as evidenced by its contents or the circumstances under which the Contract was concluded, that the other party would have no interest in performance in the event of such breach of the Contract,
- if the Work is not handed over on time and properly in accordance with the Contract or these GTC,

- if serious deficiencies are detected during the inspection of the execution of the subject of the Contract by the Client, or if the production plant is shut down or occupational safety is endangered as a result of poorly executed Work,

- if there is a breach of the confidentiality agreement or Article 18 of the GTC, OHS and OHS regulations.

20.2. If a defective performance results in a breach of the Contract, the Client may:

- require the removal of defects,
- demand a reasonable discount on the price of the Work,
- withdraw from the Contract.

In addition to these claims, the Client is entitled to compensation for damages and a contractual penalty.

20.3. Furthermore, the Client may also withdraw from the Contract if the Main Works Contract is terminated or expires.

20.4. Failure to submit evidence of legal employment within the time limit specified in Clause 12.30. of these GTC and/or if the Contractor's declaration referred to in Clause 12.30. of these GTC proves to be false, the Client reserves the right to withdraw from the Contract for material breach of the Contract. The Client's right to compensation for damages shall not be affected thereby.

20.5. In the event of a material breach of the Contract, the effects of the withdrawal shall commence on the date of delivery of the written withdrawal from the Contract to the Contractor. In case of doubt, the date of delivery shall be deemed to be the 3rd day following the dispatch of the written withdrawal. In the event of another breach of the Contract, the Client may withdraw from the Contract if the Contractor fails to fulfil its obligation even within an additional reasonable period of time granted by the Client or agreed in writing between the Parties. In case of doubt, the date of delivery shall be deemed to be the 3rd day following the dispatch of the written withdrawal.

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- 20.6. If the Contractor's default relates to only part of the obligation due, the Client shall be entitled to withdraw from the Contract in respect of the performance relating to that part or from the Contract as a whole.
- 20.7. The Parties shall deliver to each other the mutual performance within 30 days from the date of delivery of the withdrawal from the Contract to the other party. In the event that delivery of the consideration is not possible, the Parties shall be obliged to deliver the consideration in money within the same period on the basis of a demonstrable quantification by the other party.

21. Withdrawal

- 21.1. If the Contract is concluded for an indefinite period of time, either party may terminate the Contract with a notice period of 3 months, unless otherwise agreed, calculated on the first day of the month following the month in which the notice of termination was delivered to the other party.
- 21.2. In the event of termination of the Contract by the Client pursuant to this Article, the Contractor shall be obliged to compensate the Client for the actual damage and loss of profit incurred by the Client due to the extension of the time limit for the execution of the Work. At the same time, the Contractor undertakes to reimburse the Client the amount corresponding to the difference between the contractual price agreed under the Contract and the actual price for the completion of the Work.
- 21.3. Termination or expiry of the Contract shall be without prejudice to the right to payment of liquidated damages, damages and lost profits.

22. Final provisions

- 22.1. The Contract as well as the legal relations arising therefrom shall be governed by the legal regulations in force in the Slovak Republic, in particular the Commercial Code as amended.
- 22.2. All disputes arising out of this Contract, including disputes concerning its validity, interpretation or cancellation, shall be resolved before the courts of the Slovak Republic having local and subject matter jurisdiction.
- 22.3. The Contract shall remain binding in the event of the legal ineffectiveness of its individual Clauses in other parts and the Parties undertake to replace the ineffective or invalid provisions with new ones within 10 working days, unless otherwise agreed.
- 22.4. By signing the Contract, the Contractor declares, pursuant to § 401 of Act No. 513/1991 Coll., Commercial Code, as amended, that it extends the limitation period for the Client to exercise its rights for ten years.
- 22.5. The Contractor is entitled to assign and/or pledge claims against the Client arising from the Contract to a third party only with the prior written consent of the Client.
- 22.6. The Parties declare that none of the provisions of the Contract or these GTC shall be in the nature of an unfair contract term or unfair commercial practice.

22.7. Any amendments to this Contract shall be valid only if agreed in writing in the form of an amendment to the Contract and signed by authorized representatives of both Parties. The amendments shall form an integral part of the Contract.

22.8. These GTC shall come into force and effect on 08.06.2021.

Šafa, 01.07.2021

MENERT spol. s r.o.

JUDr. Miroslav Wöllner, Managing Director