General Purchase Contract

No. ..........................

concluded under Section 1746 (2) and Section 2079 et seq. of Act No. 89/2012 Coll., Civil Code, as amended

**Contracting Parties**

**Buyer:**

1. Company: **OKD, a.s.**
2. Headquartered at: Stonavská 2179, Doly, 735 06 Karviná
	* 1. Represented by: Ing. Libor Poloch, Deputy Procurement Director
		2. based on Power of Attorney dated 30 September 2019
3. Agreement holder: Ing. Libor Ryška, Head of Procurement department
4. VAT payer: Yes
5. Company ID No.: 05979277
6. VAT No.: CZ05979277
7. Bank account No.: 1650748349/0800
8. Bank: Česká spořitelna, a.s.
9. IBAN: CZ7608000000001650748349
10. BIC/SWIFT: GIBACZPX

Registered in: the Commercial Register kept by the Regional Court in Ostrava, Section B 10919

(hereinafter referred to as ***Buyer***)

and

**Seller:**

Company:

Headquartered at:

Represented by:

VAT payer: yes

Company ID No.:

VAT No.:

Bank account No.:

Bank:

IBAN:

BIC/SWIFT:

Registered in:

(hereinafter referred to as ***Seller***)

(*Buyer* and the *Seller* are referred to jointly as ***Contracting Parties***)

Article I
Scope of Delivery

1. This General Purchase Contract (hereinafter referred to as “Contract”) defines the commitment of the Seller under the terms and conditions described herein to sell and deliver to the Buyer the goods listed in the eTender system at the website http://nakup.okd.cz - Reviews tab, Supplied items and transfer ownership rights to the Buyer based on individual Partial purchase contracts (hereinafter referred to as „PPCs“), whereas the Buyer commits itself to pay the agreed purchase price to the Seller for duly delivered goods.
2. PPCs shall contain all contractual provisions as stipulated in Article VII herein.
3. If the Seller delivers a higher quantity of goods than stipulated, the purchase contract covers the excessive quantity only if the Buyer confirms in writing its consent with accepting excessive goods.

Article II
Place and Date of Delivery

1. The place of delivery is the place defined by the Buyer in the PPC.
2. Goods take-over shall be confirmed on the bill of delivery by the person authorized to take the goods over on behalf of the Buyer. The person authorized to sign bills of delivery on behalf of the Buyer must attach a stamp print next to his/her signature to prove his/her authority to sign.
3. The Seller commits itself to deliver the goods to the Buyer under the terms and conditions defined herein and in specific PPCs.
4. In case of any default with goods delivery, the Buyer reserves its right to charge the Seller a contractual penalty in the amount of 0.0253 % of the price of the non-delivered goods per every day of default. Settlement of the contractual penalty does not affect the right to require damage compensation.
5. The Buyer is entitled to withdraw from a PPC in case of any default exceeding 5 calendar days from the confirmed delivery date.
6. The withdrawal from a PPC does not affect the Buyer’s right to require compensation of damage incurred due the delayed delivery of goods.
7. The Buyer is entitled to withdraw herefrom should goods deliveries be delayed repeatedly.
8. Seller may suspend implementation of each delivery, even late delivery of goods in case, if the buyer is in arrears with the payment of any monetary obligation to the seller.

Article III
Price of Goods

1. The price of the goods to be purchased is negotiated in the form of E-tender quotes or electronic tenders or by consent following mutual negotiations. Such agreed-to price applies on the date when the PPC is drawn.
2. Prices and their validity are listed in the eTender system at the website http://nakup.okd.cz - Reviews tab, Supplied items
3. The prices are agreed:
	* Including goods transportation to the Buyer’s warehouses specified in the PPC;
	* In accordance with Incoterms 2010, DAP,
	* As unit prices excluding VAT including handling and baling fees and including the cost of non-returnable packaging;
	* Excluding environmental fees that are to be charged separately;
	* Including royalties and licence fees.
4. Any banking fees incurred are paid separately by each Contracting Party in their home countries.

Article IV
Product Liability, Quality Warranty, Risk of Damage

1. Liability for damage to the goods shall be governed by the provisions of Act No. 89/2012 Coll., the Civil Code, as amended.
2. The Buyer shall become liable for the goods upon their acceptance, and undertakes to store the goods delivered in the manner customary for such goods.
3. The Seller covenants that when rendering performance in the course of business pursuant to this Contract, it shall not supply any non-original type of material or spare part (refurbished parts, substitutes, etc.) to the Buyer without prior warning and mutual written approval. In the event of non-compliance with this provision, the Seller shall be obliged to provide compensation for any and all damages caused by such breach of duty.
4. The Seller provides warranty on the quality of goods delivered over a period of 12 months stating that, unless the Contracting Parties agree otherwise in a PPC or in Annex No. 3 hereto, the delivered goods will be fit to be used for their standard or contracted purpose in the period of 12 months and will maintain their general or agreed-to functional qualities over this period of time. In case of materials, the warranty period starts at the moment when the material is taken over by the Buyer; in case of spare parts, the warranty period starts on the date of commissioning in the operations that will be documented by a warehouse issue note in case of any warranty claim.
5. The Buyer shall claim any defects of the goods by phone or e-mail with a subsequent written communication sent to the headquarters of the Seller. The letter of complaint shall include a description of the defect, a request and a proposal to resolve the claim within a defined deadline; the Seller is obliged to inform the Buyer that the claim is being dealt with no later than 48 hours after the information is received.
6. If the Buyer and the Seller do not agree otherwise, the Seller is obliged to make appearance at the Buyer’s no later than 5 calendar days after the Seller is notified by the Buyer to take the defective goods over or to verify the claimed defect of goods.
7. The Seller commits itself to process the complaint of the Buyer in due time as mutually agreed to in writing in the form of a claim report, however no later than within 30 calendar days from the receipt of the claim.
8. The warranty period is put on hold during the claim processing and settling period. The warranty period re-starts after the claim is resolved and the goods are re-commissioned for use.
9. Goods are deemed irreparable if the Seller cannot repair them within 30 calendar days. In case of irreparable defects, the Buyer is entitled to request a delivery of substitute goods with the same specifications as the defective goods or may withdraw from the PPC and request the full amount paid to be returned or credited based on an invoice.
10. Any defect in goods quality represents a substantial breach of the PPC and the Buyer is hence entitled to withdraw therefrom. The Buyer is also entitled to withdraw from a PPC if the Seller does not process the claim within the agreed-to deadline and to request reimbursement of the amount paid in full or a credit note in the value of the full invoiced amount.
11. A PPC may be withdrawn from in writing stating the reasons for withdrawal; it must be delivered to the other Contracting Party. The Buyer’s right to have any damage incurred due to a breach of the above stated contractual obligations reimbursed by the Seller are not affected by the withdrawal from the contract.
12. All other provisions are subject to Act No. 89/2012 Coll., Civil Code, as amended.

Article V
Payment Terms

1. The Seller is entitled to invoice the agreed price of goods immediately after the delivery takes place - that is after the Buyer confirms goods take-over on the delivery sheet. The Seller is entitled to invoice only the quantity and type of goods truly delivered and listed on the delivery sheet.
2. Invoices shall comply with the following requirements:
	* Every invoice must conform to tax voucher requirements in terms of Act No. 235/2004 Col., on Value Added Tax, as amended, and in terms of Section 435 Act No. 89/2012 Coll., Civil Code, as amended;
	* Clear distinction of any costs related to the relevant provisions of Act No. 185/2001 Coll., on Wastes, as amended;
	* Company Accounting Code number in brackets following the Buyer’s Company ID Number;
	* Every invoice must refer to a specific PPC number;
	* The invoice must state the name of the Operation it is delivered to (or a Company Accounting Code of the Buyer);
	* One invoice must always refer to just one PPC;
	* Every invoice must contain all necessary enclosures confirming the order/delivery/take-over of goods confirmed by individuals authorized to sign;
	* If the Supplier paid the fee for recovery and reuse of packaging materials with EKO-KOM, a.s., the invoice must state the assigned identification number EK-...... .
3. The Buyer shall be entitled to return invoices that are not issued in accordance with the above instructions to the Seller. The maturity period shall then start running on the business day following the date of issuance of the corrected invoice.
4. It is agreed that the maturity period of invoices shall be 30 days from the date of issuance of the invoice. It is agreed that if the tax base and the amount of tax for the original taxable performance are corrected by a corrected tax receipt within the meaning of Section 42 or Section 43 Act No. 235/2004 Coll., on Value Added Tax, as amended, the maturity period shall be the same, ie. 30 days from the date of issuance.The invoice must be sent in one copy to the Buyer’s Accounts Payable Department address listed in Annex No. 2 no later than 3 working days from the issue date. If the Seller does not send the invoice within the requested period, the invoice maturity is extended by the period of delay.
5. In case of default in payment on the side of the Buyer under Item 4, Article V herein, the Seller is entitled to charge interest on late payments per every day of default in the amount defined in compliance with Section 1970, Act No. 89/2012 Coll., Civil Code, as amended.

Article VI
Legal Requirements

1. The Seller is obliged to follow the provisions of generally binding regulations on product technical requirements. At the request of the Buyer, the Seller is also obliged to deliver to the Buyer’s address all necessary documentation as per the generally binding regulations listed in Items 2 to 7 herein below, no later than within 3 working days.
2. Goods under this Contract must comply with Act. 22/1997 Coll., on Product Technical Requirements, as amended by further regulations and following decrees of the Czech government. The goods have to comply with respective provisions of Act No. 102/2001 Coll., on General Safety of Products, as amended by subsequent regulations, in line with respective EC directives and elementary requirements on health and safety protection.
3. The Seller is held responsible for ensuring that the product is certified accordingly (CE) in the scope and within the terms defined by the government decree. If stipulated so in the government decree, the product must be delivered with a CE Certificate of Conformity or similar document corresponding to Act No. 22/1997 Coll., on Product Technical Requirements, as amended by subsequent regulations and decrees of the Czech government.
4. In case of equipment and materials to be used for mining or other activities performed by mining methods, the Buyer requires that the Regulation of the Czech Mining Authority No. 22/1989 Coll., on Safety and Health Protection at Work and on Safe Mining Operations and Underground Mining of Non-listed Minerals, as amended by subsequent regulations, and the Regulation No. 282/2007 Coll., modifying the Regulation of the Czech Mining Authority No. 22/1989 Coll., and the Regulation of the Czech Mining Authority No. 392/2003 Coll., on Safe Operation of Technical Equipment and on Requirements on Specific Pressure, Lifting and Gas Equipment Used in Mining or in Other Activities Performed by Mining Methods, as amended by subsequent regulations, or other implementing regulations, are complied with.
5. The Seller guarantees that any products subject to mandatory registration under Act No. 350/2011 Coll., on Chemical Substances and Chemical Blends and on the Change of Some Other Acts (Chemical Act), as amended by subsequent regulations, are duly registered and labelled. If these products are classified hazardous in terms of Act No. 350/2011 Coll., on Chemical Substances and Chemical Blends and on the Change of Some Other Acts, as amended by subsequent regulations, the Seller must hand over to the Buyer the Material Safety Data Sheet no later than at the first hand-over of the hazardous substance or blend, or at any change thereof.
6. If requested so, the Seller must provide an affidavit confirming that the products delivered by the Seller are not subject to any special protection as per specific regulations (Act No. 121/2000 Coll., Copyright Act, as amended) or that the Seller holds intellectual property or patent rights to the goods and that the delivered products under not subject to any objection to title in terms of Section 1920 Act No. 89/2012 Coll., Civil Code, as amended by subsequent regulations.
7. In the field of electrical products, the Seller must comply with respective provisions of Act No. 185/2001 Coll., on Wastes, as amended and the Regulation No. 352/2005 Coll., on Management of Electrical Equipment and Electrical Wastes, as amended.
8. The delivered goods must also comply with further conditions defined by generally binding regulations depending on the type of goods delivered.
9. The Seller guarantees that the total price of goods includes also any intellectual property and licence fees according to Act No. 121/2000 Coll. on Copyright, Rights related to Copyright and on the Change of Some Acts (Copyright Act), as amended.
10. The Seller commits itself to deliver goods with all papers and documentation relevant to the goods, technical documentation, user manuals, certificates and inspection records, material safety data sheets, certificates (of conformity, for example) and further papers, if requested by the Buyer, by generally binding or other regulations.

Article VII
Partial Purchase Contracts

1. The Contracting Parties have agreed to resolve specific business cases between the Buyer and the Seller by issuing and jointly signing PPCs.
2. Individual PPCs or individual amendments to PPCs will be drawn up by the Buyer, prodived with advanced electronic signature based on a qualified certificate issued by an authorized person within the meaning of the Act no. 227/2000 Coll . , on electronic signature , as amended ( hereinafter the "accepted electronic signature" )and sent to the Seller in electronic form in PDF format to e-mail address agreed beforehand in Annex No. 2 or in physical form to correspondence address agreed beforehand in Annex No. 2. Individual PPCs will be duly recorded and registered.

Individual PPCs or individual amendments to PPCs will always be confirmed by individuals authorized to sign the PPCs on behalf of the Seller and their contents together with the contents of this Contract shall define all specific features of the purchase of goods. PPC confirmation is understood as affixing of accepted electronic signature of person authorized to sign on behalf of the Seller to the PDF file and sending of the PDF file to e-mail address agreed beforehand in Annex No. 2 or sending of one PPC copy in paper form with affixed physical signature to correspondence address agreed beforehand in Annex No. 2. Seller is obliged to observe the rules for PPC sending which are set forth in Annex No. 4 hereto.

1. A PPC must always quote:
	* Number of this Contract and that of the PPC;
	* Specific goods type and quantity;
	* Unit price excluding VAT, total PPC price excluding VAT and including VAT;
	* Delivery date;
	* Place of delivery;
	* Legible identification of the person authorized to sign the PPC on behalf of the Buyer and the Seller either accepted electronic signatures, or if the contract will be signed in paper form is required readable identification of the person authorized to sign PPC on behalf of the Seller.
	* Individuals authorized to sign the PPC are listed in Annex No. 1 herein.
2. Individual PPCs represent a part hereof.
3. Any explicit stipulations included in the PPCs that differ from the stipulations herein prevail over any stipulations herein.
4. The Seller undertakes to confirm the PPC in writing no later than within 10 working days from the date at which the draft PPC was delivered - in case the PDF file is confirmed by electronic signature, exclusively to electronic address agreed beforehand in Annex No. 2, in case of physical signature, to correspondence address agreed beforehand in Annex No. 2. A default in confirming the PPC in writing within 10 working days represents a material breach of duties on the part of the Seller which entitles the Buyer to withdraw from this Contract.
5. The Seller must identify individuals authorized to sign PPCs, if PPCs are not to be signed by the Seller’s statutory body. In case that the authorized person is not identified in the heading herein, the Seller must deliver a written authorization in the form of a power of attorney no later than together with the first PPC signed by this person. The power of attorney must always be documented as original or an officially authenticated copy. The power of attorney must be granted by the statutory representative in line with the entry in the Commercial Register or, in case of an individual, in line with the entry in the Trades Register. The signature of the grantor must be officially authenticated. The power of attorney must describe the scope of powers granted and the consent of the grantee accepting the power of attorney including his/her signature. In case of any changes to the powers of attorney granted, the Seller is obliged to proceed according to Article X, Item 8.

Article VIII
Delivery Terms

1. The Seller must deliver goods to the Buyer as per Annex No. 3 complying with quality parameters listed in the PPC or at a quality level generally corresponding to the goods. The Seller commits itself not to deliver an alternative substitute for the goods requested by the Buyer and listed in the PPC or goods that would be re-used or re-furbished unless such condition of goods is clearly stated in the Annex hereto
2. The Buyer reserves its right to perform a quality check of the goods. Should the outcome of the above quality check prove a discrepancy between the requested and actually delivered quality of goods, the Buyer is entitled to:
	* Charge the cost of the quality check;
	* Apply a contractual penalty of 30 % of the purchase price of the goods if the goods show critical quality non-conformities possibly stopping or restricting the Customer’s operations, causing additional costs on the side of the Customer due to, in particular, additional work necessary to remedy the non-conformity or reducing product safety;
	* Apply a contractual penalty of 20 % of the purchase price of the goods if the goods show quality non-conformities that do not lead directly to any business interruption or restrictions of the Customer’s operations, further additional costs or reducing product safety;
	* Withdraw from the PPC.
3. The contractual penalty is not included in the amount of compensation of damage incurred due to the delivery of poor-quality goods.
4. At the delivery, the Seller is obliged to hand over the delivery sheet and other documents necessary for the take-over and use of goods as well as any other documents listed herein or in the PPC.
5. The delivery sheet must comply with the respective PPC and must contain at least the following elementary data:
	* Business (trade) name of the Seller;
	* Address of the place of delivery;
	* PPC number;
	* Material number, description, quantity of units of measure;
	* Delivery date and goods take-over date. If the Seller is unable to provide this information, it may be filled in by an authorized person of the Buyer;
	* Signature and stamp of the Seller’s authorized staff (with a legible identification of the authorized person);
	* Signature and stamp of the Buyer’s authorized staff (with a legible identification of the authorized person);
	* Registration plate number of the freighter’s truck, name or freight company identification in legible letters, driver’s name in legible letters. If the Seller is unable to provide this information, it may be filled in by an authorized person of the Buyer;
	* Weight of individual parts, total weight of goods delivered;
	* Country of origin of goods;
	* TARIC customs classification.

Article IX
Packaging and Supplies

1. The Seller is obliged to pack the goods and to secure them according to the instructions of the OEM in order to prevent any damage, destruction or any other quality degradation during transportation.
2. If goods are delivered in returnable packaging, a special framework Contract is drawn on returnable packaging supplies.

Article X
Other Provisions

1. The Seller hereby declares that the delivered goods are owned exclusively by the Seller, they are clear of any rights of any third parties due to industrial or other intellectual property rights to the goods and that the Seller is aware of its responsibilities. In case this statement proved false, that is if any third party holding industrial or other intellectual rights to the goods placed any claims of financial or any other nature due to the above ownership onto the Buyer, the Seller commits itself to solve and resolve all eventual complaints (or even legal disputes) fully at its own expense (including the cost of legal services) and, in parallel, shall pay to the Buyer and its business partners any damage incurred due to a breach of such rights by the Seller.
2. Ownership rights are transferred to the Buyer at the physical take-over of the goods.
3. The Contracting Parties must inform each other in writing with no undue delay about any facts that might have a significant impact on performance under this Contract.
4. The Seller is obliged to inform the Buyer in writing about any production shutdowns that would eventually jeopardize delivery dates as per PPCs; the information must be provided immediately when a decision on planned shutdown is taken or when a non-planned shutdown starts.
5. The Contracting Parties have agreed that the following cases are deemed severe breach hereof and of individual PPCs:
	* Non-confirmation of a PPC as per Article VII, Item 6 herein;
	* Breach of provisions listed in Article X, Items 1, 7, 8, 9 and 10;
	* Repeated delays of good deliveries as per respective provisions of Article II herein and due dates set forth in PPCs;
	* Non-compliance with contracted prices as per respective provisions of Article III herein;
	* Non-compliance with legal requirements as per Article VI herein and quality non-conformities as per Article IV herein.
6. In case of a severe breach as per Article X, Item 5 by one of the Contracting Parties, the other Contracting Party is entitled to withdraw from this Contract with immediate effect. The withdrawal notice must be drawn in writing stating the reasons for withdrawal and must be delivered immediately in a provable way to the other Contracting Party. The Buyer’s right to receive compensation of damage incurred due to the above breach of contractual obligations does not cease by the withdrawal.
7. The Contracting Parties have furthermore agreed that all negotiations on goods price, goods type, price validity and tendering terms and conditions are deemed business secret.
8. The Contracting Parties have agreed to inform each other in writing (by registered mail) with no undue delay and in a demonstrable way about any changes related to their legal corporate status, such as mergers or fusions with another entity, transfers of liability to a legal successor or a third party (assignee) as well as about any changes related to the identification data of the Contracting Parties, data about staff authorized to sign PPCs listed in Annex No. 1 herein, termination of VAT registration of the entity in an EU country where VAT taxation is significant in terms of business relationship and applicability of VAT in EU and the possible consequences resulting from a terminated VAT registration on taxation and pricing, or if the entity registers for VAT in the Czech Republic during the contractual period or establishes its permanent office on the Czech territory, wherever it is significant in terms of business relationship and VAT taxation principles in EU and due to possible consequences resulting from such registration on taxation and pricing.
9. If there are any receivables of the Seller against the Buyer arisen in consequence to this Contract or to any individual PPC, the Seller may:
	* Pledge the liability only if a prior written consent of the Buyer is obtained. In case this commitment is not followed, a contractual penalty in the amount of 10 % of the nominal value of the pledged liability shall apply;
	* Cede the liability only if a prior written consent of the Buyer is obtained, otherwise the cession is not valid;
	* Off-set their mutual liabilities only if a prior written Contract of both Contracting Parties is obtained.
10. The Seller and the Buyer hereby conclude an Contract on not transferring the receivables from their mutual business relationships in terms of Section 1881 Civil Code. The Seller is not entitled to assign any rights or duties incurred under this Contract to any other entity without a written consent of the Buyer. No assignment of rights performed without obtaining the Buyer’s consent is valid. The Seller is not authorized to reduce the supplies compared to the supplies listed in the Contract for any reasons or to off-set unilaterally such claims including claims arisen from claims procedures.
11. In case of any change in an item specification, the Seller is obliged to notify the Buyer’s staff immediately about such change so that a new or an adjusted item specification may be included in the Buyer’s code list. The Buyer reserves the right to delete any out-dated items from its code list without replacement.
12. In case of any change in the bank or bank account data, the Seller is obliged to notify the Buyer immediately in writing about such change. The change notification must be signed by a statutory representative of the Seller and must include as its integral part a bank statement confirming that the Seller is the owner of the bank account.
13. The Buyer has the right to perform a customer audit at the Seller’s. A customer audit includes an inspection of the entire production process including incoming material inspection, product handling and storage. If requested, the Seller shall provide access to quality and conformity documentation proving the conformity of the product with requirements.
14. Due to unification of purchased materials and spare parts, the Buyer is entitled to delete specific items listed in Annex No. 3 from use without replacement during the validity period of this Contract.

Article XI
Exclusion Clauses

1. The exclusion circumstances include force majeure as set forth in provisions of Section 2913 (2) Civil Code, as amended. A force majeure case includes any obstacle that had occurred independently on the will of the liable party that prevents the liable party from meeting its obligations, if it cannot be reasonably deemed that the liable party could overcome such obstacle or avert its consequences or that it could have anticipated such obstacle at the time when this Contract was concluded.
2. No responsibility of Contracting Parties is excluded if an obstacle occurred at the time when the liable party was in default with its supplies or if an obstacle was incurred due to the economic situation of the liable party or if the obstacle incurred could not have influenced provably and significantly the performance under this Contract.
3. The Contracting Party claiming force majeure is obliged to notify the other Contracting Party immediately in writing (no later than 10 calendar days from the occurrence of force majeure) defining the nature of the encumbrance that is preventing or will prevent it from performing its supplies, the expected period of duration of the obstacle and its consequences. The liable party must take all available actions to moderate the impacts of non-performance of its contractual obligations.
4. The Contracting Party claiming force majeure is also obliged to notify the other Contracting Party immediately in writing about the termination of a force majeure event and document it with written evidence no later than within 10 calendar days after the force majeure event is over or after the obstacles preventing the party from meeting its liabilities are remedied. The other Contracting Party is obliged to confirm in writing without undue delay the reception of such notification.
5. Should the effects of a force majeure event last demonstrably longer than 3 months and should the effects of a force majeure event demonstrably prevent any of the Contracting Parties from performing its liabilities under this Contract, both Contracting Parties have the right to withdraw from this Contract or agree on extended delivery terms. Similarly, the Contracting Parties may withdraw from a PPC in case that a force majeure event preventing the liabilities under such PPC be met lasts more than 3 months.
6. Force majeure excludes the enforcement of any contractual penalties against the Contracting Party affected by force majeure.

Article XII
Confidentiality Clauses

1. The Contracting Parties are obliged to keep confidential all information acquired about the other party and about this Contract when concluding and performing this Contract that are not publicly available; confidentiality is not limited to the duration of this Contract. In this context, both Contracting Parties shall ensure that all their employees and any other people who are authorized to perform partial tasks related to the execution of this Contract are also bound by confidentiality.
2. Regardless the above stated, information is not deemed confidential if:
	* It is or will become publicly known not via a breach of any legal obligation;
	* The receiving party obtained such information in a legal way from a third party or if the receiving party must provide such information by law.

3. The Seller is obliged to protect any information related to the concluded Contract against disclosure and in terms of Section 504 and Section 2985 Civil Code to keep confidential and protect against disclosure all other information of commercial, financial, production, technical, personnel and organizational nature acquired when executing the Contract. Except for publicly disclosed data, all other information contained in a Contract for Work is subject to business confidentiality and the supplier is not authorized to disclose the information further to any third party. In terms of references, the Buyer may be listed in a reference list provided to a third party only upon a prior written consent of the Buyer.

Article XIII
Final Provisions

1. This Contract is concluded for an indefinite term.
2. This Contract and PPCs may only be amended by a written Contract between the Contracting Parties in the form of numbered amendments.
3. This Contract may be terminated at will by a written notice with a 2-month notice period.
4. A termination notice must be in writing and must be sent to the address of the registered seat of the other Contracting Party by registered mail. The notice period shall start running on the 1st calendar day of the month following after the delivery of the termination notice to the other Contracting Party. A termination notice sent to the address of the registered seat of the Contracting Party indicated in the Commercial Register (or in the Trade Register if the Contracting Party is an individual), or to the address indicated in this Contract, it shall be deemed delivered even in the event that the other Contracting Party does not take delivery. The delivery date shall be deemed to be day on which the addressee refuses to take delivery, or the day on which the carrier notifies the other Contracting Party about the failure to deliver the mail.
5. Termination of this Contract shall create no prejudice to the right to payment of a contractual fine, default interest, or a claim for compensation for damages, if applicable. Termination of this Contract or the extinguishment of rights and obligations arising from this Contract for any other reason does not give rise to an obligation for the Contracting Parties to return contractual fines or default interest paid, where the Contracting Parties became entitled to same while this Contract was in effect.
6. The Contracting Parties have agreed that in order to prevent any activities that may be in conflict with good morals, no advantages, bonuses, gifts, hospitality, expense coverage will be requested or offered directly or indirectly to or from any employee or member of a statutory body, an individual or a legal entity in private or public sectors (including any person possibly making decision on behalf of or working for the individual or legal entity in private or public sectors) in order to acquire, maintain or influence the deal or ensure any other advantage when requesting input tender requirements or concluding and executing this Contract. The Buyer reserves its right to terminate the Contract should it be established that the Seller has, directly or via its representatives, committed any act contradicting good morals when executing this Contract and has not taken sufficient remedies in due time. The Buyer reserves its right to terminate the Contract should it be established that the Seller, its controlling or controlled entity knew or should have known with due diligence about activities of a third party that would be in conflict with good morals or about fraudulent behaviour of such third party where this third party has or had a relationship to the Seller, its activities were relevant for the Seller and the Seller was not informed about them, or the third party did not provide maximum possible cooperation to the Seller when investigating an established act of bribery or fraud.
7. The Seller states that no illegal work in terms of Section 5(e) Act No. 435/2004 Coll., on Employment, as amended, is or will be performed at the Seller’s facilities; that means that all dependent jobs performed by individuals for the Seller are and will be based on elementary principles of labour-law relationship. Should such jobs be performed in present or in future by individuals - foreigners, they are or will be performing their job in compliance with an issued employment permit, in compliance with an issued long-term stay permit due to employment in specific cases (so-called Green Card) issued under a specific legal regulation or in compliance with Blue Card requirements. Should the Buyer find out that the Seller facilitates illegal work not only under this Contract the Buyer may withdraw from this Contract.
8. If, due to a breach of obligations on the part of the Seller, an administration procedure is opened for an administrative offence under Section 140 (1) (c) or (e), Act No. 435/2004 Coll., on Employment, as amended, or if an administration procedure is opened with the Buyer under Section 141a, par. 2 Act No. 435/2004 Coll., on Employment, as amended (concerning the Buyer’s warranty for an administrative offence of the Seller), the Buyer is entitled to request that the Seller settles a contractual fine of at least CZK 250,000 (in words: two hundred and fifty thousand Czech koruna) and the Seller undertakes to pay such contractual fine within the deadline and in the way specified in the notice. Settlement of the contractual fine does not affect the Buyer’s right for compensation of damage.
9. If the Buyer suffers damage in the form of a administrative offence fine under Section 140 (4) (f), Act No. 435/2004 Coll., on Employment, as amended, or if the Buyer is obliged to pay a fine resulting from the warranty under Section 141, Act No. 435/2004 Coll., on Employment, as amended, due to any illegal work facilitated by the Seller, the Seller is obliged to compensate such damage to the Buyer no later than within one week after the Buyer requests so.
10. The Seller running a business as an individual together with the Buyer jointly state that this Contract does not cover dependent work – that is, the scope of the Contract is not and will not be performed in the relationship of Client’s superiority and Seller’s subordination, on behalf of the Buyer, according to the Buyer’s instructions and that the Seller is not obliged to perform the work in person, unless the nature of the work and qualification requirements of the Seller implied otherwise. The Seller states that it has or is able to have other business partners (clients) besides the Buyer and that it is not dependent on the Buyer as the only source of income in its business.
11. Any negotiations with Sellers about pricing and other commercial conditions of material or spare part supplies is reserved exclusively to the Buyer’s Procurement Department. In this respect, none of the Buyer’s other departments is authorized to deal/negotiate about pricing conditions of the above specified supplies. All requirements of the Buyer’s other departments concerning any changes to the existing specifications or a new material or a new product must be presented to the Buyer’s Procurement Department. Technical terms and conditions of supplies may be dealt with directly between the Seller and a specific department assuming that the Buyer’s Procurement Department is continuously informed about such activities both by the respective department and by the Seller.
12. Unless stipulated otherwise herein, all rights and duties of both contracting parties are subject to Czech laws and regulations, in particular to Act No. 89/2012 Coll., Civil Code, as amended.
13. The contracting parties unanimously state that they are aware of all legal consequences implied herein, that they agree with all provisions herein that they have read and understood them in detail and in witness of their free and true will they attach hereto the personal signatures of their authorized representatives.
14. This Contract may be modified in writing only. An exchange of e-mail or other electronic messages is not deemed sufficient written form for these purposes. The Buyer may raise an objection of invalidity of the contract and/or its amendments due to formal discrepancies, even if the Contract performance has already started. Any assignment hereof or of any commitments of the Seller to another company, even in case of a partial performance, is subject to a written consent of the Buyer.
15. Under Section 1740 (3), Civil Code, a response of any contracting party hereof specifying an amendment or a deviation is not deemed acceptance to conclude this Contract, even if the bid conditions do not change substantially. No commercial conditions of the Seller apply. This provision applies also to PPCs, orders or any other arrangements.
16. Business practice shall not prevail over any provisions of the law, not even over provisions of the law which are not enforcement provisions.
17. Any disputes arisen from this Contract, or from any particular PPC, will be resolved in an Contract of both Contracting Parties. Should a conflict not be resolved in an amicable settlement, it will be dealt with by a respective court as per the Buyer’s address registered in the Commercial Register. This Contract and all relationships implied herein as well as PPCs are subject to the Czech judicial code and the Civil Code in particular. When interpreting this Contract, business practices shall not prevail over any provision of law, not even over provisions of the law which are not enforcement provisions.
18. This Contract is made out in four counterparts, two in Czech and two in English, each having the force of an original; each of the Contracting Parties shall receive a Czech counterpart and an English counterpart.

**Final Provisions of the Amendment**

This Amendment shall become effective on 00.00.2019 and come into effect on the date of its signing by both Contracting Parties. This Amendment has been drawn up in four copies, two copies in Czech language and two copies in English language, having the validity of an original, of which each party here to shall receive one in Czech language and one in English language.

In Karviná, on 27. 11. 2019 In ………………., on 27. 11. 2019

…………………………………………………… ……………………………………………

OKD, a.s.

Ing. Libor Poloch

Deputy Procurement Director

based on Power of Attorney dated 30 September 2019

The following annexes form an integral part of the Amendment:

Annex No. 1 – Signature specimens

Annex No. 2 – Postal addresses and contact details

Annex No. 4 - Rules for PPC sending

Annex No. 1 – Signature specimens

**List of staff authorized to sign PPCs on behalf of the Seller and staff granted Power of Attorney to sign**

Name and surname Date of Power of Attorney granted Signature specimen

Job position

Annex No. 2 – Postal addresses and contact details

The Seller is obliged to send all communication to the Buyer’s address below:

OKD, a.s.

Stonavská 2179, Doly

735 06 Karviná

email for sending electronic PPC: edks@okd.cz

constct e-mail: nakup@okd.cz

web: nakup.okd.cz

The Seller is obliged to send invoices to the address below:

OKD, a. s.

Středisko účetnictví – přijaté faktury

Stonavská 2179, Doly

735 06 Karviná

The Buyer is obl iged to send all communication to the Seller’s address below:

……………………...

 ……………

 ……….

email for sending electronic PPC:

Annex No. 4 – Rules for PPC sending

1. **PPC confirmation / approval –by the Seller**
2. In case of electronic contact:

 (PPC confirm by accepted electronic signature) and send to el. address of the Buyer - edks@okd.cz. Enter only **“I confirm”** in the message subject. The message body must be left blank!

1. In case of paper form contact:

Print out, sign manually and send by post to address specified in the General Purchase Contract or PPC header.

**NOTE – PPC printed, physically signed, scanned and sent to the electronic address above (or any other one) shall not be accepted!**

1. **Confirmation with reservation by the Seller**

If you do not agree with our PPC for any reason or have any comments or want to include any addition:

1. In case of electronic contact:

Sign the PPC electronically, enter **“I confirm with reservation”** in the message subject, enter your reservation in the message body and attach a letter, if necessary. Use this option if the change of the delivery date is required.

1. In case of paper form contact :

Print out, sign manually and send the PPC by post together with your requirements for change or send the PPS by post.

1. **Unconfirmed PPCs by the Seller**

Do not sign the PPC, enter **„I do not confirm”** in the message subject, enter the reason of your disContract with the PPC in the message body and attach a letter, if necessary. Apply this option particularly in cases of requirements for change in price or commercial terms and conditions, etc. where your acceptance requires PPS change or issue of amendment to the Contract. Apply this option also case where the PPC is refused by you.

Because all documents sent to the electronic address of the Buyer mentioned above will be processed electronically, be sure to attach the original file with the PPC to your message so that the message can be identified and assigned. All incoming PPC, i.e. both confirmed and unconfirmed ones, are automatically archived together with all the correspondence.