This "Annex IX Slovakia" applies to contracts for the Purchase of supplies, services or works subject to the laws of Slovakia, and concluded between ENEL Group companies and the Contractor.

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I. SCOPE OF APPLICATION

1.1 The present document "Annex IX Slovakia" shall apply to all agreements for works/services/supply, regulated by Slovak legislation, concluded between a company of ENEL Group and the Contractor (hereinafter the "**Parties**") and contains the terms and conditions of Slovenské elektrárne, a. s., with registered seat Mlynské nivy 47, 821 09 Bratislava, Slovak Republic, Company Registration Number: 35 829 052, registered with the Companies Register of the District Court Bratislava I, Section: Sa, File No.: 2904/B (hereinafter the "**SE**"), which shall form an integral part to the order/agreement (hereinafter the "**Agreement**") and shall enter into force together with the Agreement.

1.2 This document is an integral and essential part of the ENEL Group General Contract Conditions (hereinafter the "**GC of ENEL Group**"). The GC of ENEL Group consist of 2 parts: General Part and the Annexes. Annex IX Slovakia constitutes an attachment to the GC of ENEL Group. Annex IX Slovakia contains additional provisions applicable to the contractual relationship between SE and the Contractor.

1.3 Understanding the provisions of art. 5.1 "Interpretation and hierarchy" of the General Part of the GC of ENEL Group, any exception or amendment to this Annex IX Slovakia (hereinafter the "**TC SE**") proposed by the Contractor shall be deemed valid only if submitted in written form and accepted by SE in the same manner, and shall apply solely to the Contract for which it was proposed, thereby excluding the opportunity that said exception might be extended to other existing contracts or contracts which may be subsequently concluded with the same Contractor.

1.4 It is hereby specified that in the event of discordances or incompatibility between the documents which are part of the Contract, reference shall be made to art. 5 "Interpretation and hierarchy" of the General Part, wherein it is established that their priority is determined by the progressive order according to which the contractual documents are listed therein, unless stated otherwise in the Agreement.

II. DEFINITIONS

In addition to art. 2. "DEFINITIONS" of the General Part:

2.1 For the purposes of the TC SE, the party, which provides services, works or performances to SE, including any deliveries of goods related to the Contract subject matter, or delivers goods (hereinafter the "**Performance**") based on the Agreement, to which the TC SE are enclosed, is identified as the "**Contractor**"**.** The TC SE provisions containing the identification "Contractor" shall apply both to domestic as well as foreign contractors. The company Slovenské elektrárne, a. s. is identified as SE, regardless of their titles in the Contract. If in the General Part, the expression "the company of the ENEL Group" or "ENEL" is used, it shall mean SE and/or other members of ENEL Group, if applicable.

2.2 On behalf of and for SE:

a) a contact person shall be entitled to act in matters relating to the Contract, who is specified in the Contract as the "*Contact Person*", or other person/persons, authorised by the Contact Person,

b) a person/persons shall be entitled to act in the matters of the Performance, which means the Performance execution, the Performance controls, the Performance testing, the Performance takeover, etc., who is specified in the Contract as the "*Contract Manager*", or other person/persons, authorised by the Contract Manager on behalf of SE. The authorizations and powers of the Contract Manager acting on behalf of SE do not include the execution of legal acts in connection with the Contract (for instance, applying a complaint, claiming the contractual penalties, compensation for damage, etc.) without a valid authorization granted by SE.

2.3 On behalf of and for the Contractor:

a) a contact person shall be entitled to act in matters relating to the Contract, who is specified in the Contract as the "*Contact Person*", or other person/persons, authorised by the Contact Person,

b) a person/persons shall be entitled to act in the matters of the Performance, which means the Performance execution, the Performance controls, the Performance testing, the Performance handover, etc., who is specified in the Contract as the "*Contract Manager*", or other person/persons, authorised by the Contract Manager for the Contractor, except for the Performance handover, where the provision of clause 9.4.4 herein applies.

2.4 For the purposes of the TC SE, the price of the Performance (hereinafter the "**Price**") shall mean:

a) the total price of the Performance, exclusive of the Value Added Tax (hereinafter "**VAT**"), agreed in the Contract, if the Contract subject matter is the Performance in whole,

b) the price of individual Performance, exclusive of VAT, agreed in the Contract, if the Contract subject matter is the delivery of several separate Performances,

c) the price of the Performance for a calendar month (or other agreed period of time), exclusive of VAT, agreed in the Contract, if the Contract subject matter is the repeating Performance,

d) the price of the Performance upon written request, exclusive of VAT, if the Contract subject matter is to provide the Performance upon written requests,

e) the price of the Performance upon partial order, exclusive of VAT, if the Contract subject matter is to provide the Performance upon partial orders to framework contracts.

In case:

(i) of a domestic Contractor who is not a VAT payer in the Slovak Republic (hereinafter the **"SR"**), or if

(ii) the Contractor has its registered seat or place of business outside the territory of the SR and does not have a fixed establishment in the SR according to Act No. 222/2004 Coll. on value added tax as amended (hereinafter the "**Act on VAT**"), which participates in the Performance (hereinafter the "**Foreign Contractor**"),

for the purposes of the TC SE, in such case the Price shall mean similarly the price as defined in letters a) to e) of this clause, except for the text "exclusive of VAT".

2.5 For the purposes of the TC SE, the "**Party"** shall mean SE or the Contractor, where the "**Parties**" shall mean SE and the Contractor. Either Party shall be entitled to **change the Contract Manager, or delegate** some of the authorizations and powers to **another person** at any time and shall be obliged to inform the other Party thereof in writing without undue delay. The extent of the delegated authorizations and powers shall be unambiguously defined.

2.6 In case of providing the Performance in the premises of SE, the General Technical Terms of Performance at Slovenské elektrárne, a.s. (hereinafter the "**General Technical Terms**" or "**GTT**"), or Site Safety and Technical Conditions of Performance in SE for the MO34 Project (hereinafter the "**Site Safety and Technical Conditions**" or "**SSTC**"), containing specific conditions related to the providing of the Performance in SE's premises (i.e. in the areas and in the buildings of the headquarters and the plants), shall form an annex to the Contract.

2.7 Notwithstanding the provisions of the clause 2.1. art. 2. "DEFINITIONS" of the General Part, the terms "Final Acceptance Document" and "Preliminary Acceptance Document", shall not be applied. Where the text of the General Part contains the term "Preliminary Acceptance Document", it shall mean the Takeover Protocol in accordance with clause 9.4.1 herein.

2.8 The other terms used in the TC SE, whose definitions are contained in the Contract or in the General Part, shall have the meaning specified in the Contract or in the General Part, unless stipulated otherwise by the TC SE.

III. LANGUAGE

3.1 Notwithstanding the provisions of the clause 3.1. art. 3. "LANGUAGE" of the General Part, the original version of all contractual documents, including the General Part, will be Slovak language.

In addition to art. 3. "LANGUAGE" of the General Part:

3.2 If the TC SE or the Agreement are executed in both Slovak and English language, in case of conflict between the language versions, the Slovak version shall prevail. If the Agreement is executed in the Slovak language but the annexes to the Agreement are executed in the Czech language, these annexes do not need to be translated into the Slovak language unless otherwise agreed by the Parties.

3.3 If the Contractor has its registered seat abroad and the Parties have not agreed upon another communication language in the Contract, Slovak shall become the communication language.

IV. CONCLUSION OF THE CONTRACT AND AMENDMENTS

In addition to art. 4. "FORMALISATION" of the General Part:

4.1 The proposal for entering into the Contract or the proposal for offer submission delivered by SE to the Contractor does not mean a request to start to perform the Performance. The Contractor can start to perform the Performance only after the Contract has been concluded and on the basis and in compliance with the conditions specified therein.

4.2 The Agreement or TC SE can be amended exclusively on the basis of an agreement between the Parties, in the form of an amendment to the Contract, which includes the TC SE.

Any modifications or amendments to the Contract can be executed only on the basis of an agreement between both Parties, in the form of written and numbered amendments hereto, signed by authorized representatives of both Parties, except in the following cases:

a) change or adding of Contract Managers that the Party makes by a unilateral written notice in the construction logbook/building logbook/services logbook (hereinafter the "**Logbook**") or by other written notice sent to the Contract Manager of the other Party,

b) change or adding of a Subcontractor pursuant to the List of Subcontractors, made by the SE's Contract Manager by a record in the Logbook, based on a writen request for the change or adding of a Subcontractor, including the documents proving fulfilment of requirements for technical and professional competence of the Subcontractor, submitted to SE's Contract Manager, who will ensure the assessment of such request in accordance with SE's internal regulations,

c) the change of a person executing the Performance, made by the SE's Contract Manager by a record in the Logbook, or by other record, upon proving the fulfilment of requirements for technical and professional competence by the Contractor.

V. INTERPRETATION

In addition to art. 5. "INTERPRETATION AND HIERARCHY" of the General Part:

5.1 The conditions of the Contract and of the Delivery that are not regulated in the Agreement or TC SE shall be governed by the provisions of the General Part.

5.2 Notwithstanding the provisions of the clause 5.3 art. 5. "INTERPRETATION AND HIERARCHY" of the General Part, in case of a conflict between the language versions of the General Part, the Slovak version of the General Part shall prevail.

5.3 **Severability of Provisions**

Each provision of the Contract shall be interpreted so that it is effective and valid pursuant to valid legal regulations. However, in the event that it is unexecutable, or null and void pursuant to valid legal regulations, it shall not affect the other provisions of the Contract. In the event that a provision is unexecutable, or null and void, the Parties shall agree in written form on a solution preserving the context and purpose of the given provision.

If any of the provisions of the TC SE is or will become invalid in the future, the remaining provisions hereof shall remain fully in force.

5.4 The application of the general terms and conditions of the Contractor or of any other general terms and conditions is hereby expressly excluded, unless otherwise agreed in writing by SE and the Contractor.

5.5 In cases where in the TC SE or in the Contract there are references to legal regulations in force at the time of issuance of this version of TC SE or at the time of Contract conclusion, which were replaced by other legal regulations during the validity of the Contract, they are considered to be the references to the legal regulations that have replaced them, as amended.

VI. COMMUNICATION

In addition to art. 6. “COMMUNICATIONS” of the General Part:

6.1 All notices and all communications between the Parties under the Contract shall be made in writing, that is by registered mail, express courier service, by fax or e-mail and are deemed to be duly delivered by their delivery to the concerned Party to the address or fax numbers given by the Parties in the heading of the Contract in the event that the following text of the Contract does not contain addresses or fax numbers for the delivery.

A document shall be also considered delivered in the following cases:

a) the Party refuses to take over the document – the document shall be considered delivered on that day, or if

b) it is not possible to deliver the document for the reason of for example a failure to take over the mail within the delivery period or because the addressee was not found, the addressee was unknown or for other reason designated by the post office on the mail; the document shall be considered delivered on the date of mail deposition at the post office.

VII. PRICE, INVOICING AND PAYMENT TERMS

In addition to art. 7. “FINANCIAL CONDITIONS” of the General Part:

7.1 **Price**

7.1.1 Unless otherwise agreed in the Contract and if the subject matter of the Performance is a delivery of several types of assets with an individual technical-economic specification, the Contractor shall be obliged to submit to SE **within 15 days** from signing of the Contract, however, no later than along with the delivery of the first invoice, details of the Price; such details shall be split into single tangible/intangible assets/components of tangible/intangible assets/groups of such assets with separate technical-economic specification, containing their unit prices and all direct and indirect costs. If relevant, the details of the Price shall contain a separately specified price for spare parts or other components of the Performance or other components of the Performance Price, the price of which is not part of the purchase cost of the tangible assets according to the valid Slovak legislation.

7.1.2 If in accordance with the Contract the Contractor is also obliged to provide SE’s employees with training to be carried out before the handover of the Performance, the price of training shall be included in the Price, although it must be quantified as a separate item in the Price detail or Price calculation.

Training provided after the handover of Performance is considered another separate Performance, i.e. the price for such training has to be specified in the Contract as a separate price.

7.1.3 If the Contractor is a VAT payer in the SR, VAT shall be added to the Price in the amount determined by valid legal regulations governing the amount of VAT on the day of origin of tax liability, in cases where VAT is applicable according to the valid wording of the Act on VAT.

7.1.4 **None of the Performance** of the Contractor or SE **shall be provided free of charge.**

7.1.5 The Price includes all the costs related to the fulfilment of the Contractor’s obligations, in particular:

- transport charges,
- the costs of waste disposal or waste recovery pursuant to the Contract, in relation to the waste generated by the Contractor’s activities,
- the cost of unloading the Performance in the place of performance,
- insurance costs for the Contractor’s damage liability insurance,
- insurance costs for the insurance of SE’s assets, which represents the subject matter of the Performance,
- insurance costs for the transport of the Performance, if it is stipulated in the Contract,
- customs duty,
- other taxes and customs duties,

- other import-related fees,
- product certification related fees,
- administration and similar fees collected by any public authority body,
- price of the documentation necessary for or related to Performance usage,
- accommodation, catering and transportation of Contractor's personnel,
- training of the Contractor's personnel for entry to SE's premises and execution of Performance on SE's premises.

7.1.6 If during the import of goods, the Contractor ensures goods transportation (to the state border with the SR or to the place of destination in the SR) and SE ensures the customs clearance of the goods, for the purpose of customs procedure the Contractor shall be obliged to provide SE with information about the transport charges no later than on the day of goods' loading on the transport means unless the transport charges are specified in the Contract.

7.1.7 Unless otherwise agreed in the Contract, the Price according to the Contract shall be fixed, complete, invariable and binding and the Contractor guarantees its completeness until the supply of the Performance also in the event that during the Performance the need occurs to perform such activities, which were not predictable at the time of Contract conclusion.

7.2 **Invoicing Terms**

7.2.1 The basic document for payment of the Price shall be an invoice issued by the Contractor and delivered to SE. The invoice has to be issued in accordance with valid legislation and shall contain the agreed particulars pursuant to clause 7.2.12 herein.

7.2.2 The Contractor shall issue an invoice containing VAT only provided that at the time when tax liability came into existence it was a VAT payer and the Contractor's tax liability comes into existence at the delivery of the Performance and the Contractor is a person obliged to pay VAT.

7.2.3 The Contractor's invoice shall be issued and and the payment shall be paid by SE in **Euros** unless another currency is agreed in the Contract.

7.2.4 If the Price agreed in the Contract is based on an hourly rate, the Contractor shall be entitled to charge SE only the hours actually worked during the provision of the Performance. The Contractor shall not charge SE the time necessary for breaks at work, personnel transfers, for arranging entries to the SE's area etc.

7.2.5 All the Performances provided by the Contractor above the scope agreed upon in the Contract shall be approved by SE in writing in advance. SE shall not be obliged to take over or pay for any Performance executed prior to such an approval.

7.2.6 If a unit price of the Performance is agreed in the Contract and simultaneously the Contract or annexes give a number of units of the particular Performance, the Contractor shall not be entitled to exceed the number of Performance units without SE's prior written consent. SE shall not be obliged to take over or pay for any Performance exceeding the number of units specified in the Contract made without such consent. In such case, SE shall be entitled to return the invoice back to the Contractor.

7.2.7 The invoice for the delivered Performance shall be issued on the basis of:

(i) a detailed list of the provided Performance in the form of a takeover protocol pursuant to clause 9.4.1 herein (hereinafter the **"Takeover Protocol"**), if invoicing after the takeover of the respective separate Performance, including the Performance upon written request, has been agreed in the Contract; or

(ii) a detailed list of the Performance performed during whole period, for which the invoicing and payment was agreed in the Contract (hereinafter the **"Invoicing Period"**), confirmed by SE in case of a recurring Performance or Performance for which a continuous invoicing has been agreed in the Contract. Depending on the nature of the Performance, in such cases, for the detailed list of the Performance can be considered for example a protocol on the fulfilment of a Payment Milestone (hereinafter referred to as "**Milestone protocol**"), survey protocol on the provided Performance (hereinafter referred to as "Survey Protocol"), an acceptance protocol, copies of the records in the assembly / construction / service Logbook, or service statement or time sheet.

7.2.8 The invoice shall include as an integral part:

(i) a copy of the **Takeover Protocol** or **Milestone Protocol** confirming the delivery of the Performance pursuant to the Contract, or of the **Survey Protocol**, confirming the extent of the Performance provided within the relevant Invoicing Period,

(ii) Price detail in accordance with clause 7.1.1 herein, if applicable,

(iii) a copy of the record in the Logbook or of the list of delivered material, if applicable.

7.2.9 Unless other way and time of Price invoicing has been agreed in the Contract, the Contractor shall issue an invoice for the provided Performance as follows:

(i) within 15 days **after the takeover** of each individual Performance by SE on the basis of the Takeover Protocol, if Price invoicing and takeover by individual Performances is agreed in the Contract, or

(ii) within 15 days at the latest **after the expiry** of a respective Invoicing Period agreed in the Contract in case of the repeating Performance or in case of a continuous invoicing for the Performance; and the subject matter of invoicing in this case shall be the Performance delivered during the whole Invoicing Period, and the delivery date in this case shall be the last day of the Invoicing Period, or

(iii) according to a payment calendar agreed in the Contract, or

(iv) no later than 15 days **after the receipt of the payment** by the Contractor before delivery of the Performance.

7.2.10 The Contractor shall be entitled to issue **a summary invoice** under the Act on VAT within 15 days after the end of a calendar month, for the Performace that has been taken over by SE during the calendar month.

7.2.11 Special invoicing conditions:

(i) if for the Performance delivered partially or repeatedly (other than those in the following clause) a payment has been agreed for a period of time longer than 12 calendar months, the Performance is deemed to be delivered on the last day of every 12th calendar month until the delivery of the Performance is completed, i.e. the Contractor shall issue an invoice within 15 days after every such day of the delivery,

(ii) if services or goods with the assembly or installation are provided partially or repeatedly during the period of time longer than 12 calendar months and the payment has been agreed for a period of time longer than 12 calendar months, where the place of the delivery is SE and SE is obliged to pay VAT, such services or goods with the assembly or installation are deemed to be delivered on the last day of every calendar year until the provisioning of the services or goods with the assembly or installation is completed, i.e. the Contractor shall issue an invoice within 15 days after every such day of the delivery.

The conditions given in these two cases shall apply only to VAT purposes and are not related to invoice settlement. The payment shall be made only after real delivery of the Performance, within the payment term pursuant to clause 7.3.1 herein or indicated in the Contract.

7.2.12 In addition to the data specified in accordance with the valid legal legislation, every invoice must contain:

(i) SE's Contract No.,

(ii) SAP number specified by SE in the Takeover Protocol or Milestone Protocol or Survey Protocol or specified in the Contract,

(iii) the code of the Common Customs Tariff in respect of the supply of goods or the supply of goods supplied as part of the provided Performance,

(iv) the date of invoice shipment,

(v) invoice due date pursuant to clause 7.3.1 herein,

(vi) the banking institution name and the Contractor's bank account No.,

(vii) the signature of the representative authorized to act on the Contractor's behalf.

7.2.13 The Contractor shall be obliged to deliver the invoice to SE no later than **within 5 days** following its issue.

7.2.14 The Contractor shall be obliged to send the invoices for SE to the address:

Slovenské elektrárne, a.s.

Invoicing Department

Mochovce Nuclear Power Plant

P.O.BOX 11

935 39 Mochovce

or to another address specified in writing by SE.

7.2.15 In the event that the Contractor sends the invoice to another address than the address according to clause 7.2.14, the period of maturity shall not start until the respective invoice is delivered to the address specified or determined according to the above clause 7.2.14.

7.2.16 The Contractor shall be obliged to deliver to SE to the address pursuant to clause 7.2.14 herein **at least 14 days before** the invoice due date, a written notification of the change of the bank account stated in the invoice, in case of:

(i) a change of the bank,

(ii) establishment of the pledge right to receivables, or

(iii) formal shortcomings (e.g. incorrect, incomplete bank account, etc.),

where the authenticity of the signature of the Contractor's representative in the notification must be officially verified.

7.2.17 If the Contractor fails to fulfil its notification duty according to clause 7.2.16 herein, the day of debiting SE's bank account with the outstanding amount shall be considered the day of fulfilment of the monetary obligation regardless of whether the Contractor's bank account is credited with the financial resources.

7.2.18 Notwithstanding the provisions of art. 7.3. "Invoicing." of the General Part, the invoicing will be done in accordance with art. 7.3.2. B "Without using electronic systems.", unless stated otherwise in the Agreement.

7.3 **Payment Terms**

7.3.1 **The invoice shall be due within the period of 60 days following the invoice's delivery to SE**. The date indicated by SE's presentation stamp at the address pursuant to clause 7.2.14 herein shall be the date of delivery of the invoice. The invoice maturity period shall start on the day following the day of delivery of the invoice to SE. If the last day of the invoice maturity period falls on a public holiday, the invoice shall be due on the very next business day. The financial obligation shall be deemed fulfilled on the day when the outstanding amount is debited from the SE's bank account.

7.3.2 Full payment shall be made to the account number specified in the invoice or notice pursuant to clause 7.2.16 herein, no later than on the invoice due date. If the invoice does not contain the particulars required in accordance with the valid legal legislation or if the data in the invoice are not stated in compliance with the conditions agreed upon in the Contract, SE shall be entitled to return the invoice to the Contractor without payment. In such case, the period of maturity of the invoice shall be interrupted. SE shall be obliged to state the reason for returning the invoice. The period of maturity shall start again only on the date of delivery of the corrected (new) invoice fulfilling the requirements of generally binding legal legislation and the Contract.

7.3.3 All bank expenses and charges of the correspondent banks and the Contractor's bank shall be borne by the Contractor.

7.3.4 If SE is in delay with the invoice payment, the Contractor shall be entitled to charge SE an interest on late payment amounting to 0.02% from the outstanding amount for each day of the delay, however, in the maximum of up to the total amount of 10 % of the invoiced amount.

7.3.5 Notwithstanding the provisions of art. 7.4. "Payment Conditions." of the General Part, the provision of the last sentence of clause 7.4.1 shall not apply.

VIII. TAX CONDITIONS

In addition to art. 8. "TAXES" of the General Part:

8.1 During the period of validity of the Contract the Contractor shall be obliged to notify in writing SE of the date of VAT payer registration cancellation, as well as the date of VAT payer registration, all that **immediately** after that date.

The following provisions of clauses 8.2, 8.3 and 8.4 apply to the **Foreign Contractor**:

8.2 The Foreign Contractor shall inform SE in writing without undue delay, **no later than within 5 working days** from the signing of the Contract, of the following facts:

a) whether it is a VAT payer in the Slovak Republic,

b) of its tax residency (and it shall deliver a tax confirmation of this fact confirmed by the respective tax authority),

c) of the setting-up of a permanent establishment pursuant to Act No. 595/2003 Coll. on income tax as amended (hereinafter **"Act on Income Tax"**) and the respective treaty on double taxation avoidance, and also of the dissolution of such permanent establishment,

d) of the setting-up of a fixed establishment pursuant to the Act on VAT, of the dissolution of such fixed establishment and also of any related change,

e) whether the Performance is provided by this fixed establishment, even in case of a partial delivery by it,

in the event that the Foreign Contractor fails to notify SE of the facts stated in this clause till the day of the Contract conclusion by the Declaration on Tax Position and Interrelation, or the Declaration on Tax Position.

If the correctness, completeness or veracity of the above-mentioned facts changes during the term of this Contract due to any facts that can or cannot be influenced, the Foreign Contractor undertakes to inform SE thereof in writing, **without undue delay,** no later than within 5 working days after the change, otherwise, SE shall consider them valid, true and complete also as on the date of origin of Foreign Contractor's tax liability.

8.3 If the Foreign Contractor is a resident of a country outside of the EU and has a permanent establishment in the Slovak Republic and pays income tax advance payments in the Slovak Republic, it shall be obliged to submit, immediately after the signing of the Contract or after the mentioned fact has come into existence, the confirmation of the Tax Authority Bratislava about the advance payments. If the Foreign Contractor fails to submit the document, SE shall apply the collateral tax in accordance with the Act on Income Tax.

8.4 **Withholding Tax**

Price and payment conditions set out in the Contract do not and shall not include any withholding. If payments in favour of the Foreign Contractor are subject to or shall be subject to withholding tax pursuant to Act on Income Tax and respective treaties on double taxation avoidance, SE shall decrease, upon the above stated, the payments by the particular amounts pursuant to the respective treaty on double taxation avoidance and Act on Income Tax. In that case SE shall request from the concerned tax authority in the Slovak Republic to provide a confirmation of the deducted tax and shall submit it to the Foreign Contractor. The Foreign Contractor shall provide SE any cooperation for the exercise of SE's rights and the asserting SE's of claims according to this clause.

The Foreign Contractor is not entitled to request any compensation from SE in connection with the deduction of withholding tax by SE, but it itself may request settlement from the concerned tax administrator.

The Foreign Contractor shall endeavour to identify payments included in the Price that may be subject to the withholding tax and specify their unit price. In case of doubt or the lack of cooperation of the Foreign Contractor, SE shall be entitled to deduct withholding tax from the total Price, with the exception if the Foreign Contractor proves additionally that withholding tax pursuant to the Act on Income Tax and the respective treaty on double taxation avoidance is not to be deducted, or the Foreign Contractor specifies that amount of the invoiced Price that is subject to withholding tax.

The provisions of the following clause 8.5 apply to the **VAT payer in Slovak Republic**:

8.5 **Guarantee for VAT**

The Contractor declares and undertakes that it shall submit a proper tax return for VAT and in case of occurrence of a duty to pay VAT, it shall pay it to the locally competent tax authority within the specified payment period. The Contractor declares that it has no intention to avoid VAT payment in relation to the Performance according to the Contract and it has no intention to reduce the tax or to elicit a tax allowance or has no intention to get to a position in which it would not be able to pay this tax.

In the event that the Contractor has been published on the website of the Finance Directorate of the SR in the list pursuant to the provisions of Section 69 (15) of the Act on VAT (hereinafter the "**List**"), SE is authorised to retain the amount equal to VAT from each invoice for the Performance of the Contractor pursuant to the Contract with the delivery date not earlier than the date of publishing the Contractor in the List. If SE applies retention of VAT, SE will notify the Contractor of this fact in writing.

SE is entitled to pay the retained amount of VAT to the Contractor's personal account kept by the competent tax office (hereinafter the "**Contractor's PA**"). The Contractor shall, within 5 working days after the retention of VAT by SE, deliver to SE in writing all information necessary for SE to pay VAT to the Contractor's PA, namely: the number of the Contractor's PA, the taxable period for which the tax is to be paid and the number of the invoice for this taxable period. SE shall notify the Contractor of any and each payment of VAT to the Contractor´s PA.

If the Contractor does not provide SE with all the above information properly and on time, SE shall charge the Contractor a **contractual penalty** in the amount of **EUR 1,000**. This contractual penalty must be paid within the period pursuant to clause 15.17 hereof. SE will offset their claim for payment of the contractual penalty against the first payable liability of SE to the Contractor that SE records in its accounts.

SE will return the retained amount of VAT to the Contractor, minus the VAT paid by SE to the Contractor's PA, within 7 working days from receipt of the Contractor's written request for return of the retained VAT, sent to the invoicing address pursuant to clause 7.2.14, subject to the following conditions:

(i) if the request includes in an attachment a written declaration from the tax office that the tax office records no tax arrears against the Contractor; or

(ii) the Contractor delivers the request at the earliest after the expiration of the right to additionally impose tax pursuant to Section 69 of the Act no. 563/2009 Coll. on Tax Administration (Tax Procedure), as amended, or other applicable laws governing the right to impose additional tax. The Contractor shall indicate in the request, at which time the right to impose additional tax has ceased for each individual amount of retained VAT separately.

In the event that, despite the payment of VAT by SE pursuant to the foregoing provisions of this clause, the tax office, by decision, imposes on SE, as a guarantor, the obligation to pay VAT which is considered as unpaid tax pursuant to the provision of Section 69b of the Act on VAT (hereinafter the "**unpaid tax**"), and SE pays this unpaid tax instead of the Contractor, the Contractor shall be obliged to reimburse such unpaid tax to SE not later than 8 days after receipt of SE´s written instruction.

The provisions of the following clause 8.6 apply to the **Foreign Contractor based outside the EU**:

8.6 **Collateral Tax**

In the event the obligation to deduct collateral tax from the Price has arisen for SE, SE shall deduct the sum of collateral tax from the invoiced Price pursuant to the Act on Income Tax and pay the Foreign Contractor the invoiced Price reduced by the given collateral. SE shall not deduct the collateral tax from the Price if the Foreign Contractor submits to SE the original confirmation from the concerned tax authority proving that the Foreign Contractor pays tax advances pursuant to Section 34 or 42 of the Act on Income Tax.

If the Foreign Contractor fails to submit a written confirmation proving the formation of a permanent establishment pursuant to clause 8.2c) herein and SE is obliged to deduct the sum of the collateral tax from the Price, SE shall:

a) be entitled to deduct the sum of the collateral tax from the invoiced Price pursuant to Section 44 (2) of the Act on Income Tax and to pay the Foreign Contractor the Price or its part reduced by the sum of such collateral tax, and

b) provide documentation to the Foreign Contractor (confirmation of the deducted collateral tax submitted to the concerned tax authority), which the Foreign Contractor may use for the set-off of the payment against its tax liability in Slovakia.

In other cases when the Foreign Contractor's activities do not cause the formation of a permanent establishment in Slovak Republic, the application of the collateral tax will be assessed on an individual basis, considering the nature of the Performance, in accordance with the Act on Income Tax and the respective treaty on double taxation avoidance.

The Foreign Contractor is not entitled to request any compensation from SE in connection with the deduction of the collateral tax by SE, but it itself may request settlement from the concerned tax administrator.

8.7 If SE's assets, within the execution of Performance or for the purpose of the elimination of defects of the Performance, are transported outside the territory of the Slovak Republic, where such Performance or the elimination of defects shall be carried out, and after the completion of Performance or the elimination of defects the SE's assets shall be returned back to the Slovak Republic, , and if the assets are transported by the Contractor or at the Contractor's expense, the Contractor shall ensure, for VAT purposes, the following documents:

- transport documents or other documents regarding dispatching, which contain the place of destination proving the dispatching of the SE's assets from the Slovak Republic to an EU member state and their returning to the Slovak Republic from an EU member state, if the Contractor provides the transport of the SE's assets through other entity, or
- the written confirmation of receipt of the SE's assets by the SE's Contract Manager, if the transport of the SE's assets is carried out by the Contractor, and other additional documents proving the transport of the SE's assets, required by SE.

The Contractor shall deliver the above mentioned documents to SE:

a) in case the transport of the SE's assets was carried out for the purpose of the execution of Performance – no later than together with the invoice issued for such Performance,

b) in case the transport of the SE's assets was carried out for the purpose of elimination of defects of the Performance – by the date of the takeover of the SE's assets back by SE, at latest.

In case of breach of the Contractor's obligations under this clause, SE may claim from the Contractor a contractual penalty pursuant to clause 15.5 herein.

8.8 The Contractor undertakes that it shall be fully responsible for calculations, reporting, tax returns and payment of its present and future both monetary and non-monetary tax duties, including the income tax, VAT and other taxes, fees and levies (or respective penalties, fines or interests), which came or will come into existence under the Contract according to any legal jurisdiction, either in the Slovak Republic or out of its territory. The Contractor shall make no claims towards SE in connection with the above-mentioned matters.

IX. PERFORMANCE EXECUTION

In addition to art. 9. "EXECUTION" of the General Part:

9.1 **Place of Performance**

9.1.1 The place of Performance shall mean the seat of SE, i.e. Mlynské nivy 47, 821 09 Bratislava, unless otherwise specified by the Contract.

9.1.2 If the Contractor provides the Performance on SE's premises, the Contractor shall take note of the fact that SE can provide to the Contractor:

(i) premises having the nature of the temporary works, offices or other rooms,

(ii) electric energy, technical gases, compressed air, water etc.

against payment and under a special contract(s).

9.1.3 At the entry and at the departure of the Contractor's personnel, SE is entitled to carry out inspection of items and materials being brought in or taken out.

The Contractor must not bring into SE premises any of the following:

a) all kinds of guns, ammunition, explosives, trap explosive systems and their imitations,

b) alcohol, narcotic and psychotropic substances,

c) unidentifiable biological and chemical substances,

d) cameras and camcorders without permission,

e) items evidently not related to working activities.

The Contractor is not entitled to take out the following items from the SE's premises without permission:

(i) any items and materials not owned by the Contractor and to which the Contractor has no other right,

(ii) waste, which the Contractor is not entitled and obliged to dispose or recycle in accordance with the Contract.

In the event of breach of the obligation under this clause, SE may claim from the Contractor a contractual penalty pursuant to clause 15.9 herein.

9.1.4 The Contractor's personnel is obliged to observe the ban on the consumption of alcohol, narcotic or psychotropic substances. At the entry of the Contractor's personnel, SE is entitled to perform a breathalyser test or a test of use of narcotic or psychotropic substances of the Contractors' personnel. The rejection to undergo a breathalyser test or test of use of narcotic or psychotropic substances shall be considered for positive result. If the result is positive, SE can claim sanctions pursuant to clause 15.10 herein.

9.1.5 No later than on the day of commencement of the Performance under the Contract, the Contractor shall announce to SE the names and e-mail addresses of those Contractor's representatives, who are supposed to be granted access to the SE's information system for the purpose of the fulfilment of the obligations solely in accordance with the terms and conditions. The access to the SE information system has been set up in accordance with the authorization procedures in force at SE.

9.1.6 In cases where the place of Performance is not situated in the premises of SE, the Contractor shall be obliged to allow the SE employees or the persons appointed by SE to access the spaces, where the Performance is executed, for the purpose of checking the proper Performance.

9.2 **Inspections, Tests and Verification**

9.2.1 At any time during the Performance provision under the Contract, SE shall be entitled to check the proper fulfilment of the Contractor's duties pursuant to the Contract and TC SE. In the event that the inspections during the Performance under the Contract find any defects or faults, the Contractor shall be obliged to eliminate the defects and faults at its own expense within the time period specified by SE.

9.2.2 Prior to the Performance handover, SE shall be entitled to request a preliminary inspection of the Performance. The Contractor and SE shall agree upon the date of the preliminary inspection of the Performance in order to find out whether the Performance meets the requirements specified in the Contract. The Contractor and SE shall execute a protocol on the preliminary inspection of the Performance signed by the authorised representatives of the Contractor and SE, containing the results of the preliminary inspection of the Performance and the data on whether the Performance meets the requirements specified in the Contract or the statement of the Contractor regarding the proper completion of the Performance.

9.2.3 In the event that the preliminary inspection shows that the Performance does not meet the requirements specified by the Contract or TC SE, SE shall be entitled to request the elimination of the defects of the Performance and to determine the period, in which the Contractor is obliged to eliminate the defects of the Performance. After the expiry of the period for the elimination of Performance defects pursuant to this clause, SE shall be entitled to carry out another inspection of the Performance. If the Contractor fails to eliminate the defects of the Performance satisfactorily, SE shall be entitled to withdraw from the Contract for material breach of the Contract by the Contractor, unless it specifies another period for elimination of the defects of the Performance.

9.2.4 Execution of preliminary inspections of the Performance and possible elimination of defects of the Performance pursuant to this clause do not relieve the Contractor of the obligation to hand over the Performance within the period specified for Performance handover and do not relieve the Contractor from the liability for proper and timely handover of the Performance, and the contractual or legal claims of SE resulting from the delay of the Contractor in Performance handover shall remain preserved unless otherwise agreed by SE and the Contractor.

9.2.5 If it is agreed in the Contract, the Contractor shall be obliged to carry out testing or technical

inspection (hereinafter the "**Tests**"") of the Performance before its hand-over, in order to find out whether the Performance meets the requirements for quality and execution and whether it meets the conditions specified by the Contract. The Contractor shall be obliged to submit the result of the Tests to SE no later than upon the handover of the Performance.

9.2.6 Unless otherwise agreed in the Contract, the SE's Contract Manager has to be present at the execution of the Tests of the Performance and the Contractor is obliged to notify SE of the place and date of Tests **no later than 14 days prior to** the planned date of the Tests or within another mutually agreed period.

If the Contract Manager for SE fails to arrive at the specified time at the place of Tests execution, the Contractor can carry out the Tests without the presence of SE, however, it shall be obliged to inform SE about the result of the Tests without undue delay.

9.2.7 The costs connected with the execution of the Tests of the Performance shall be borne by the Contractor. In case of execution of complex tests of the Performance, the respective provision of the GTT, or SSTC shall apply.

If the Tests are not carried out at the agreed date by the fault of the Contractor or if the result of the Test of the Performance is unsatisfactory, the Contractor shall be obliged to reimburse to SE all the costs incurred by it in this connection.

9.2.8 Performance of the Tests in the presence of SE shall not relieve the Contractor from the liability for the defects found after the handover of the Performance.

Carrying out an inspection or Tests is not a reason for the delayed delivery of the Performance.

9.3 Conditions of Delivery and Take-Over of the Performance

9.3.1 Period of Delivery and Take-Over of the Performance

In the event of a threat that the Contractor will fail to deliver the Performance within the period specified in the Contract, it shall be obliged to inform SE in writing about this fact without undue delay after it has learned of the fact and it shall be obliged to carry out all the measures to speed up the Performance. The notice shall specify the causes of the delay and the expected day of the delivery of the Performance.

If the Contractor fails to carry out the measures according to this clause or the Contractor's measures turn out to be insufficiently efficient and the provision of the Performance is not speeded up, SE shall have the right to carry out measures speeding up the provision of the Performance itself, including withdrawal of the provision of any part of the Performance by the Contractor (e.g. in the form of a partial withdrawal from the Contract with immediate effect from the date of receipt of the notice by the Contractor) and assigning its provision to a third party, while the Contractor shall be fully responsible for coordinating its work with the new contractor so designated, where the eligible costs in connection with this measure shall be borne by the Contractor. SE shall have the right to claim or set off these costs on the basis of a separate invoice delivered to the Contractor. For the avoidance of doubt it shall apply that SE shall be entitled to set-off against the Price or to request payment of all increased costs and expenses connected with the withdrawal of the provision of any part of the Performance and assigning it to a third party (e.g. the price difference between the withdrawn part of the Performance which was subsequently newly assigned, the damage incurred, other induced costs, any penalties etc.).

Any costs incurred by the Contractor as a result of failing to observe the date of execution of the Performance or Payment Milestones, or in connection with achieving their proper and timely fulfilment (e.g. overtime work, shift work, increased deployment of machines, non-rational supply of materials, increased work load etc.) shall be always borne by the Contractor. In such cases, the Price shall not be changed.

In cases where the Contractor properly completes the Performance or part of it, in compliance with the Contract and its annexes prior to the agreed date of Performance execution or Payment Milestone, SE shall be entitled but not obliged to take over the Performance or part of it also on the earlier date proposed by the Contractor.

Also in cases when the commencement or course executing the Performance is in delay for other reasons than for the reasons exclusively on the part of SE, individual dates of Performance execution or Payment Milestones must be properly observed or met without any right to any increase in the agreed Price.

In the cases when the commencement of Performance (or the course of Performance itself) is in delay for reasons exclusively on the part of SE **for more than 5 working days**, the Contractor shall be entitled to postpone all the following terms of Performance or Payment Milestones by the same number of days as is the length of postponement of the start or of the course of Performance execution for reasons on

the part of SE. Any sanctions applicable against the Contractor remain valid also when applying new postponed dates of Performance execution or Payment Milestones.

The Contractor shall be obliged, in writing and sufficiently in advance, to inform SE about the date when the Contractor will be ready to complete and handover the Performance and to call upon SE in writing to take over every Performance in accordance with the Contract **at least 5 working days** prior to the delivery of the Performance.

9.3.2 **Materials and Equipment**

Notwithstanding the provisions of art. 9.3.2. "Materials and/or equipment." of the General Part, the provision of clause 9.3.2.7 shall not be applied.

If the subject matter or a part of the Performance is a supply of goods, the Contractor shall be obliged to pack such Performance or prepare it for transport in the way usual for such Performance in business relations or, if that way cannot be determined, then in the way necessary to preserve and protect the Performance. The Contractor undertakes to remove and dispose of the packaging from the Performance if it is required by SE.

Unless otherwise stated in the Contract, the conditions regarding the supply of goods from abroad shall be governed exclusively by international rules for the interpretation of delivery terms INCOTERMS 2010, using the provisions of parity "**DDP**" or "**DAP**", with the place of Performance specified in the Contract.

The Contractor shall be obliged to insure the transportation of goods if it is required by the Contract.

In the event that the nature of the goods to be delivered within the Performance requires permits in accordance with the respective legal regulations, the Contractor shall be obliged to obtain such permits at its own expense.

SE is entitled to request the extension of the period of Performance supply. In such a case SE and the Contractor shall agree on the share in which they will bear the costs connected with further storage.

9.3.3 **Chemical Substances and Chemical Mixtures**

Provisions of this Article are applicable only to Contractors supplying chemical substances or chemical mixtures to SE (hereinafter "**CS** or **CM**").

The Contractor supplying CS or CM to SE shall deliver, along with the delivered CS or CM, the Safety Data Sheet (hereinafter the "SDS") in the Slovak language. For the CS or CM that are not hazardous, the Contractor only needs to deliver a statement that the delivered CS or CM is not classified as hazardous.

The expiration date of the CS or CM must be indicated directly on the packing of the CS or CM by the manufacturer or by the Contractor. In justified cases (where the CS or CM are in liquid form and are delivered in large-volume tanks or freely stored), the expiration date may be specified in the test certificate, other certificate or directly in the SDS.

Upon an additional written request by SE, the Contractor shall be obliged **within 10 days** from the delivery of such written request to deliver to SE's Contract Manager any additional documents specified in SE's written request by (e.g.: a test certificate, technical specification, technical sheet, certificate, purpose of use, authorisation, other specific requirements for quality and cleanliness, or the type of the product).

The Contractor shall provide marking of the CS or CM packages in compliance with the applicable legislation (Act No. 67/2010 Coll. on Conditions to Introduce Chemical Substances and Chemical Mixtures to the Market as amended (hereinafter as the **"Chemistry Act**")). Labelling of CS or CM on the package must in proportion to the size of the package be of such size, location, form, and design as to be always clearly and constantly visible. Labelling and documentation of the CS or CM must be in the Slovak language. The packing of hazardous CS or CM must also provide the following data:

(i) name of the hazardous substance, commercial or other name of mixtures,

(ii) company name, seat, and telephone number of the legal entity, or the name, surname, permanent address, and phone number of the natural person supplying the hazardous CS or CM,

(iii) warning symbols and verbal identification of hazard,

(iv) verbal identification of the specific risk,

(v) verbal identification of safe use,

(vi) EC number (registration number for every CS commercially available in the European Union); for mixtures name of the substances, the presence of which caused the classification of the mixture as carcinogenic and mutagenic and substances with reproductive toxicity to human health,

(vii) weight or volume.

9.4 **Performance Takeover**

9.4.1 SE shall take over the Performance in the form of a written Takeover Protocol, where:

(i) in case of goods delivery, the Takeover Protocol shall be the delivery note, containing the list of individual items delivered pursuant to the Contract, and respective amounts, certifying the takeover of the delivery by SE showing the date of goods takeover by SE and handover of the goods by the Contractor, and which shall contain the data of the goods codes according to the Common Customs Tariff,

in case of goods delivery from the territory outside the Slovak Republic the delivery note shall contain:

- Common Customs Tariff code of goods,
- country of goods origin,
- net weight of goods,
- date and place of loading the goods by the Contractor,
- date of goods handover by the Contractor in the place of Performance

(ii) in case of other types of Performance the Takeover Protocol shall be any document containing a detailed list of Performance performed, i.e. the list of individual items delivered pursuant to the Contract, and respective amounts.

The Takeover Protocol signed by SE and the Contractor represents a document proving the fulfilment of the Contract subject matter, i.e. it confirms that the delivery has been executed in the quantity and quality defined in the Contract.

The Takeover Protocol shall be executed at least in three counterparts and at least two of them shall be received by the Contractor.

Any statement of the Contractor regarding the handover of the Performance must be recorded in the Takeover Protocol.

9.4.2 If identification cards for entry (hereinafter referred to as **"Entry IDC"**) issued by SE were assigned to the Contractor's personnel for the purposes of execution of the Performance on the premises of SE, the Takeover Protocol of the last Performance executed under the Contract shall contain the number of Entry IDC not returned by the Contractor's personnel by the date of the takeover of such Performance. In such case, SE shall be entitled to claim from the Contractor **retention** in the amount corresponding to the multiple of the number of unreturned Entry IDC and the amount of the contractual penalty for failure to return an Entry IDC in the amount of **EUR 30**. SE shall apply the amount of retention calculated in such a way until return of the last Entry IDC. SE shall be obliged to release the retention within 30 calendar days following the return of the last Entry IDC.

9.4.3 The Contractor shall invite SE, in writing, to take over each Performance in accordance with the Contract **at least 5 working days** before the handover of the Performance.

9.4.4 If the Performance is handed over on behalf of the Contractor by other person than the one authorized pursuant to clause 2.3b) herein, such person shall submit to SE no later than at initiation of the Performance handover a written authorization signed by a statutory body of the Contractor proving his/her right to act on behalf of the Contractor in the Performance handover procedure.

9.4.5 No later than at the Performance takeover by SE, the Contractor shall be obliged to hand over to SE:

(i) the documents necessary for Performance takeover and usage as well as other documents specified in the Contract and in the technical specification if it is enclosed to the Contract (e.g. all the declarations of conformity, protocols and certificates of equipment tests, which it assembled, installed or executed) in the Slovak language at least to the extent specified by the

respective legal legislation of the SR,

(ii) equipment operating, repair and maintenance manuals within the scope specified by the respective legal legislation of the SR, where all the manuals and labels of control panels of equipment must be in the Slovak language,

(iii) the respective technical documentation, test certificates of the materials used during the execution of the Performance and documents of the executed tests, or other documents, if it is prescribed by the generally binding legal regulations or respective technical regulations or if it is agreed in the Contract or if they are required by SE or their submission is usual with regard to the Performance character.

9.4.6 In the case that SE took over the Performance with Small Defects specified in detail in clause 14.11 herein, SE shall be entitled to **retain money** in the amount of **10% of the Price of the Performance**. SE shall be obliged to release the retention within 30 calendar days following the elimination of the Small Defects.

9.4.7 For the avoidance of doubt, SE undertakes to take over the Performance and to draw up the Takeover protocol only provided that

(i) the Performance can be used for the specified purpose without any limitations, totally safely and in compliance with the respective legal legislation,

(ii) the Contractor has fulfilled all its duties pursuant to the Contract, has successfully performed all the Tests and has handed over the documentation according to clause 9.4.5 herein to SE,

(iii) the Parties have agreed upon the final scope of the executed Performance and final Performance Price, and

(iv) the Performance has been completed in compliance with the Contract without defects and outstanding work, except for the cases, when the delivery is taken over with Small Defects in accordance with clauses 9.4.6 and 14.11 herein.

9.4.8 If the Performance is not taken over for the reasons specified in clause 9.4.7 herein, the Performance has defects and the procedure in accordance with Article XIV shall be applied.

9.4.9 Any provisions of the General Part, defining the Performance takeover, shall not be applied.

9.5 Transfer of the Ownership Right

9.5.1 Materials and Equipment

The Performance, which is the subject matter of takeover, passes to SE's ownership with all the rights and duties resulting from it at the moment of Performance takeover based on the signing of the Takeover Protocol. At the moment of Performance takeover, the risk of damage to the Performance also passes to SE.

9.5.2 Works

Unless otherwise agreed in the Contract, if the subject matter of the Contractor's Performance is production of a thing on the Contractor's premises, the ownership right to the thing and the risk of damage to the thing passes to SE at the moment of its takeover in accordance with the Contract.

Unless otherwise agreed in the Contract, if the subject matter of the Contractor's Performance is the construction of a thing on the land of SE or on land procured by SE, the ownership right to individual materials, components, products and other parts of the constructed thing used by the Contractor in constructing the thing shall be acquired by SE at the moment of their installation into the constructed thing. Any subsequent separation of these materials, components, products and other parts of the constructed thing from the constructed thing shall not result in the change of the ownership right. The risk of damage to the Performance passes to SE at the moment of Performance takeover.

If it is not agreed otherwise in the Contract, the Contractor shall bear the risk of damage to the thing taken over from SE, which is the subject matter of the assembly, maintenance, repair, modification, revision or measurement. In such case the ownership right to the thing remains with SE.

The Contractor undertakes that all the materials, components, products or other parts of the constructed thing used for the construction of the thing will be free of any legal defects (they will not be the subject matter of a right of lien, other rights of third parties, the subject matter of execution procedure, they will not be included in the assets in bankruptcy or restructuring etc.) and at the time of their delivery, the

Contractor will be the unlimited owner of the materials, components, products and other parts of the constructed thing.

The Contractor undertakes that in producing the thing it shall use no material, components, products or other parts of things, which would be burdened by the retention of title of any third party. The Contractor confirms that at all events, SE is entitled to suppose that at the time of delivery, SE is the exclusive owner of the supplied material, component, product and/or any part of the produced thing and that at the moment of installation of the material, component, product and/or any part of the produced thing into the produced thing SE becomes its exclusive owner.

Unless otherwise agreed in the Contract, the Contractor shall bear the risk of damage to things, documents, background data taken over from SE for the purpose of proper and timely construction of the thing, assembly, maintenance, repair, modification, review or measurement, this being valid for the whole period of thing production, performance of assembly, maintenance, repair, modification, review or measurement by the Contractor until the moment of their handover to SE in accordance with the Contract. The Contractor shall be obliged and authorised to use all the things, documents, background data handed over to it by SE exclusively for the purposes agreed upon in the Contract. After the proper completion of the Performance and handover of the Performance as well as in the case of premature termination of the Contract, the Contractor shall be obliged to return to SE all the things, documents, background data handed over to it by SE for the purpose of the production of the thing.

X. SUBCONTRACTORS

In addition to art. 10. “TRANSFER OF THE CONTRACT AND SUBCONTRACTING” of the General Part:

10.1 Through an adequate regulation of the obligations in the contracts with its Subcontractors covering the Contract fulfilment, the Contractor undertakes to allow SE to inspect the contracts.

Notwithstanding the provisions of the clause 10.2 art. 10. “TRANSFER OF THE CONTRACT AND SUBCONTRACTING” of the General Part, the limit of the subsupply share (30%) relates to works and services. In case of services, this limit refers to the total contractual amount. In case of works, this limit refers only to contractual amount for works. Works shall mean any types of physical activities of the Contractor’s personnel (including Subcontractors), which are performed for the purpose of Contract performance.

A self-employed worker is considered for a Subcontractor. Solely for the purposes of subsupply share calculation and subcontracting levels determination, the self-employed workers shall not be included.

10.2 Only one subcontracting level is permitted.

10.3 In the event that a Subcontractor takes part in the Performance, the Contractor shall be obliged to use for Contract performance only such Subcontractors that meet the following conditions for personal standing:

a) No bankruptcy has been declared against it, nor is in liquidation, nor was a declaration of bankruptcy rejected due to a lack of assets,

b) Neither it nor its statutory body or a member of its statutory body was lawfully condemned for a crime of corruption, for a crime of damaging the financial interests of the European Communities, for a crime of legalising income from criminal activities, for a crime of establishing, plotting and supporting a criminal group or for the crime of establishing, plotting and supporting a terrorist group, or for the crime of terrorism and some forms of participation in the terrorism and neither it nor its statutory body or a member of its statutory body was lawfully condemned for a crime concerning the professional conduct of business,

c) It has no registered outstanding payments for health insurance, social insurance, and outstanding payments for contributions to old-age pension scheme, which are being claimed by means of a decision execution,

d) It has no registered tax arrears being claimed by means of a decision execution,

e) No severe breach of its professional obligations has been proved within the previous three years,

f) It is authorized to deliver goods, to perform construction work or to provide service.

10.4 SE exclusively reserves the right at its own discretion to refuse in writing the participation of the Subcontractor in the Performance at any time during the Contract execution without the Contractor's right to any compensation or reimbursement. In such case, the Contractor shall be obliged to immediately perform all the necessary acts in order to terminate the cooperation related to the Performance with the refused Subcontractor. SE can refuse Subcontractor's participation in particular, however, not exclusively, in the following cases:

a) a failure to fulfil the requirements for technical and professional competence and the conditions for assurance of occupational health and safety (hereinafter "**OHS**") by the Subcontractor, or

b) submission of a proposal of an entitled person to enforcement of an execution of the Subcontractor's assets, or

c) publication of a resolution on the commencement of bankruptcy proceeding against the Subcontractor in the Commercial Journal, or

d) publication of a resolution on the commencement of restructuring proceeding against the Subcontractor in the Commercial Journal, or

e) the failure to perform the previous performances executed for SE, either as the contractor or Subcontractor, properly and in time.

10.5 The approved List of Subcontractors and share of subsupplies can be altered only on the basis of the previous written consent of SE in accordance with clause 4.2b) herein.

10.6 The Contractor undertakes:

a) to observe the maximum share of Subcontractors in the Performance, specified by SE,

b) to apply for the written consent of SE in advance, in the following cases:

(i) additional occurrence of the need of Subcontractor's participation in the Performance,

(ii) participation of every other Subcontractor in the Performance and any related change of shares of individual Subcontractors in the Performance,

(iii) every change of shares of the existing Subcontractors in the Performance,

c) to prove the fulfilment of the requirements for technical and professional competence and conditions for OHS assurance by the Subcontractor,

d) to fully pay the Subcontractors for all the subcontract orders and to settle any additional costs related to such subcontracting relations; all the Performance parts performed in the form of subsupplies shall be exclusively at the expense and risk of the Contractor,

e) to immediately eliminate the violation of any Subcontractor's duty through any suitable means and to bear the resulting consequences including, if suitable, the replacement of the Subcontractor that has violated its duties,

f) to ensure that the Subcontractors also fulfil properly all the duties assumed by the Contractor in the Contract and its annexes and that the Subcontractor fulfils its obligations pursuant to the subcontract so that the Performance is supplied in compliance with the Contract's conditions and there is no threat to or violation of its duty to deliverthe Performance properly and in time, and

g) to reflect the conditions of the Contract in the subcontract so that the Performance is delivered in compliance with the conditions of the Contract (properly and in time) and it undertakes to agree in the subcontract upon the possibility of making accessible the subcontract and its related documents to SE so that such disclosure is not considered a violation of trade secret of the Subcontractor or a violation of protection of confidential information.

10.7 The Contractor shall be fully responsible for proper, timely and complete performance of subsupplies by the Subcontractor as if it performed the subsupply itself, regardless of the fact whether the subsupply is executed by a Subcontractor selected by the Contractor or appointed by SE. If SE has any doubts if the Contractor fulfils its duties according to the subcontract properly and in time and if according to SE such activity endangers the quality and timely delivery of the Performance or part of it, SE shall have the right to request from the Contractor evidence confirming that it fulfils its duties properly and in time (e.g. by submitting a statement of bank account of the Contractor confirming the timely settlement of Subcontractors'

invoices), and the Contractor shall be obliged to submit such evidence without undue delay.

10.8 The Contractor shall be fully responsible for complying with all the health, safety and labour law regulations as well as those from the area of environment and for the obligations concerning the Subcontractors.

10.9 The fact that SE approves any subsupplies shall in no way limit the liability of the Contractor and in this connection it shall not mean the occurrence of any liability of SE as the subsupplies do not relieve the Contractor from any contractual obligations or liability. The Contractor shall remain fully responsible for any activity, defects or negligence of its Subcontractors and their representatives and personnel in the same way as the Contractor is responsible for its own or its employees' or personnel's activity, defects or negligence.

10.10 In justified cases, SE shall be entitled (however, not obliged) to take over a Subcontractor of the Contractor (i.e. to exclude the supply of the Subcontractor from the total Performance of the Contractor) and to conclude a contract with the Subcontractor directly, besides the Contractor. In such case, the Price shall be reduced by the sum of the performance executed by the Subcontractor. In such case, the Contractor shall be obliged to enter into a separate amendment to the Contract with SE, which will organize the mutual rights and duties of the Parties, and at the same time, to organize its contractual relations with such Subcontractor taken over.

10.11 If the Contractor fails to pay the Subcontractor properly and in time the agreed remuneration for the properly executed performance, in consequence of which the Subcontractor will notify SE in writing of the possibility of suspending the provided performance executed by it or it will directly suspend it and according to SE, such suspension of the performance of the Subcontractor or several Subcontractors could endanger the work procedure and observance of the term of Performance execution and handover, after a previous written notice submitted to the Contractor and after the expiry of the period specified by SE for correction, SE shall be entitled to withhold the settlement of invoices (tax documents) till the time when the authorised claims of the Subcontractor, who threatened in writing the possibility of work suspension, are fulfilled by the Contractor and the fulfilment is proved to SE. During the period of payment withholding according to this clause SE is not in delay with payment of its monetary obligations and the Contractor shall not be entitled to any legal or contractual sanctions.

10.12 Notwithstanding the provisions of art. 10.3. of the General Part, the duties specified in sections two and three regarding the registration of subcontracts shall not apply to the Contractor.

10.13 In the event that the Contractor breaches any of the duties specified in this Article X, SE can claim a contractual penalty from the Contractor pursuant to clause 15.6 herein.

XI. TRANSFER OF RIGHTS AND RECEIVABLES

In addition to art. 11. "TRANSFER OF RIGHTS AND CREDIT" of the General Part:

11.1 The Contractor undertakes neither to assign or otherwise dispose or trade, either with or without consideration, the receivables resulting from the Contract, nor to establish pledge rights over the receivables resulting from the Contract without the previous written consent of SE. Otherwise such act is invalid. In case of breach of the above-mentioned, SE may claim from the Contractor a contractual penalty pursuant to clause 15.7 herein.

In the event of the assignment of receivables or transfer of liabilities under the Contract (in whole or in part) within the enterprise, a part of which is any of the Parties, or of the transfer to a legal successor or company established by a fusion or acquisition of such company, such assignment/transfer shall not require the consent of the other Party. The Contractor undertakes to inform SE about this fact without undue delay.

If in accordance with this clause, the Contractor establishes the pledge right over the receivables from SE under the Contract, the Contractor undertakes to inform SE without undue delay about any change or extinction of the pledge right established over the receivables from SE under the Contract.

11.2 The Contractor shall not be entitled to transfer its obligations resulting from the Contract without the previous written consent of SE. Otherwise, such transfer of obligations shall be invalid.

XII. CONTRACTOR'S DUTIES

In addition to art. 12. "THE CONTRACTOR'S OBLIGATIONS" of the General Part:

12.1 The Contractor undertakes to provably familiarise the Subcontractors and its personnel taking part in the provision of the Performance in favour of SE with all the duties resulting from the TC SE and to ensure their observance by its employees, Subcontractors and Subcontractors' employees.

12.2 Based on the request of SE, the Contractor shall be obliged to provide SE with all information and data regarding the provision of the Performance under the Contract or to supplement them within an adequate time period. At SE's request, the Contractor is obliged to submit documents proving the nature of the Contractor's contractual relationship with personnel entering the premises of SE (e.g. a certificate of registration with the Social Insurance Institution).

12.3 The Contractor declares that:

a) the items supplied by the Contractor in connection with the provision of the Performance are not encumbered and will not be encumbered at the time of Performance provision by any right of a third party, in particular, but not only, by a third party reservation of property, by any lien or pre-emption;

b) such items are not leased and will not be leased to any third party at the time of the provision of the Performance; and

c) there is no legal regulation or decision of a public authority which would in any way prevent the Contractor from disposal of such items.

12.4 In case of providing the Performance in the premises of SE, the Contractor undertakes to observe the terms and conditions specified in the GTT, or SSTC.

12.5 During the Contract duration, the Contractor shall be obliged to notify SE **within 5 working days** of all the changes regarding its:

a) business name,

b) registered office or place of business,

c) scope of business,

d) statutory bodies including the way of their acting towards third persons,

e) entry into Contractor's liquidation,

f) commencement of execution procedure covering the Contractor's assets, and

g) commencement of a procedure pursuant to Act No. 7/2005 Coll. on bankruptcy and restructuring.

In the event that the Contractor violates the duty pursuant to this clause, SE shall be entitled to claim from the Contractor a contractual penalty in accordance with clause 15.5 herein.

12.6 The Contractor declares that:

a) it disposes of all the authorisations required by the respective legal regulations and respective bodies for the fulfilment of the Contract conditions and for proper and timely Performance execution and the executed Performance is in compliance with the scope of its business,

b) is able to execute the Performance properly and in time according to the conditions of the Agreement and its annexes; the Contractor also declares that the Performance will be carried out by professionally competent personnel in compliance with the valid legal regulations and GTT, or SSTC if they are part of the Contract; in the event that the Contractor violates this duty, SE shall be entitled to claim from the Contractor a contractual penalty in accordance with clause 15.5 herein,

c) in the event that the Contract also contains the List of subcontractors, the Contractor undertakes to observe the duties specified in Article X; in the event that the Contractor violates the duties specified in Article X, SE shall be entitled to claim from the Contractor a contractual penalty in accordance with clause 15.6 herein,

d) in the event that damage occurs during the Contract execution in connection with its activity, it

undertakes to compensate the damage to SE to a proved extent, including the lost profit,

e) it is aware of the scope of the Performance as well as of other circumstances affecting the fulfilment of the Contract and Performance execution. In this connection, the Contractor confirms that it cannot refer to an error or to acting by mistake or to the fact that some deliveries are not specified in the Agreement or its annexes unless the errors or mistakes are caused exclusively by SE by its wilful activity or if it did not draw attention to them prior to the signing of the Contract,

f) it has checked properly and in detail all the documents, background data handed over to it by SE or representing annexes to the Agreement and at the same time it undertakes to execute the Performance based on them; in this connection, the Contractor is obliged to check also any other things, documents, background data provided by SE for the purposes of Performance execution and the Contractor shall inform SE without undue delay (no later than within 7 days after the date of takeover) in writing in a registered letter about any discrepancy, ambiguity, error or incompleteness or imperfectness, which results or could result in defects, malfunction of the Performance or its part, any deviation from the contractually specified standard, function or purpose of the Performance or in the influence on the Performance Price, otherwise, the Contractor's claims connected with the incompleteness or imperfectness of the background documents handed over to it by SE will cease to exist.

12.7 In executing the subject matter of the Performance under the Contract, the Contractor undertakes to observe all the duties resulting from:

a) generally binding legal regulations of the SR, and

b) those parts of SE internal regulations, with which he has familiarised itself provably and which are applicable to:

(i) the activities performed by the Contractor for SE, and

(ii) the activity of the Contractor's personnel on the territory and the premises of SE on the basis of the Contract

and are in compliance with the generally binding legal regulations on OHS, on creation and protection of the environment and on fire protection.

12.8 In the event that the Contract or its annexes do not contain certain facts concerning the Performance execution, the Contractor shall be obliged to notify the facts to SE in writing no later than prior to Contract signing. In the event that the Contractor fails to inform SE about the facts in writing, SE shall not be obliged to accept any comments after the conclusion of the Contract on the facts found later or not indicated and they shall be deemed to have been known by the Contractor prior to Contract conclusion.

12.9 In the event of any conflict between the Parties regarding the scope, contents or quality of the Performance, in the cases, which are not directly and/or indirectly solved by the Contract or its annexes, the written standpoint of SE shall be decisive until the adoption of a mutual agreement of the Parties or a decision of the respective body and the Contractor shall be obliged to respect the standpoint of SE and to comply with any conditions set out therein. The Party, whose standpoint in solving the conflict turns out to be incorrect shall bear the costs connected with the solving of this conflict.

12.10 If during the Performance execution any conflicts occur between SE and the Contractor, the Performance must not be suspended, interrupted or delayed or otherwise affected by the Contractor.

12.11 Any consent or approval of SE or of its authorised representative regarding the Performance, documents, documentation or work performed by the Contractor shall not relieve the Contractor from its liability for proper and timely execution of the Performance, as well as for the correctness of the submitted documents, documentation, background data or works.

12.12 **Quality Assurance**

In case of the Performance, which in accordance with the Contract belongs to **Quality Assurance Category 1**, the following provisions shall apply:

12.12.1 The Contractor shall be obliged to dispose of a functional quality management system, which conforms to the requirements of the international standard ISO 9001:2008. In case of a Foreign Contractor, also a similar quality management system shall be accepted, which meets the specific requirements defined by the respective national body for nuclear safety supervision. The Contractor documents the functionality of

the quality management system by a valid confirmation of audit execution of the quality management system by SE or it shall ask SE for an audit. If a Contractor's quality management system has not been verified it must be audited with a successful result before the signing of the Contract. In urgent cases the audit can be performed up to one (1) month after the effective date of the Contract (provided that that the documents submitted during the tender by such a Contractor demonstrate its competence).

When the validity period of the audit of a verified Contractor's quality management system expires, a repeat audit shall be carried out depending on previous audit results, the scope of changes made by the Contractor within its quality management system and the Contractor's current IVR score (Index Vendor Rating) pursuant to Article XXV.

After the expiry of a three-year period of audit validity (on condition of annual favourable evaluation of the Performance by SE during the Contract term), the submission of confirmation of favourable assessment of the Contractor by the respective national body for nuclear safety supervision, by other nuclear installation operator or by an independent (that did not take part in the subject matter of Contract performance and that is not paid by the reviewed Contractor) entity on behalf of them, or the execution of a review by SE after a mutual agreement with the Contractor in other simplified way, with the prolongation of the audit validity by one to three years, can represent an accepted substitution of the successful audit performed by SE.

If the Contractor is a natural person, who executes the Performance on the basis of proving his/her professional competence in person, he/she need not have a quality management system in place during the Contract term and need not perform internal audits. For such Contractor, SE shall not perform a quality management system audit, it can verify only the fulfilment of selected requirements of the standard ISO 9001:2008, which cover the main activities of the Contractor and which guarantee the fulfilment of SE's requirements. The other applicable requirements of these provisions, except for clause 12.12.1 herein about internal audits, must be observed by the Contractor - natural person, in particular he/she must prove his/her professional competence and meet the requirements of the plan of quality of classified equipment or other document of equal value approved by the Nuclear Regulatory Authority of the Slovak Republic (hereinafter the "**NRA SR**"), or of the plan of quality according to the ISO 10005:2005 standard.

If the Contractor is not the producer of the Performance subject matter, the provisions of this clause shall refer to the producer of the Performance subject matter and the Contractor undertakes to ensure that the producer of the Performance subject matter is bound to meet the requirements of this clause.

The Contractor shall be obliged within its quality management system:

- to develop and implement the requirements and principles defined in the Integrated policy of SE, a.s. published at web site http://www.seas.sk/company, which are applicable to the subject of Performance
- to determine the responsibilities and competences of personnel, their functional responsibilities and entitlements, including a description of the organizational structure, the impact of specific job function on nuclear safety, responsibility for quality assurance and managing of quality management system
- to take into account the requirements of the graded approach (eg. requirements for qualification and independence of staff performing inspections and tests, specific assembly processes, documenting certificates and attestations, etc.), if the subject of Performance has an impact on nuclear safety

12.12.2 The Contractor shall be obliged to respect the specific requirements of the state supervision and state professional supervision and to reflect them into its own documentation of quality assurance.

12.12.3 The Contractor shall be obliged to apply the principles of clean assembly and testing of equipment in the phase of production (supplies), as well as during maintenance, to be sure that assembled equipment does not contain foreign materials or loose parts, which could be the cause of damage and malfunction of the equipment itself or could be the cause of the release of these parts in an uncontrolled way into other components of systems (pipes, exchargers, valves, pumps …) in phase of equipment operation resulting in the malfunctioning or damage of the equipment itself or connected equipment, or preclusion of media flow, or loss of reactor cooling.

12.12.4 In cases where the execution of the Contract subject matter includes classified equipment, it must be provably qualified for the required functional competence and expected environmental effects for the design basis conditions including the seismic resistance by the respective method of qualification in accordance with Regulation of the NRA SR No. 431/2011 Coll. on quality management system as amended

(hereinafter the "**Regulation on Quality Management System**"). The quality and properties of metallurgical products and welding filler materials used for classified equipment must be proved by the respective inspection document in accordance with the Regulation on Quality Management System.

12.12.5 If the subject matter of the Performance is classified equipment or if the subject matter of the Performance is connected with classified equipment, the Contractor shall be obliged to ensure the fulfilment of requirements of respective technical documentation, including the plan of quality of classified equipment according to the Regulation on Quality Management System or other document of the same value, approved by the NRA SR.

12.12.6 If the Performance is not connected with classified equipment but it can in other ways affect the nuclear safety of a nuclear installation, the Contractor shall be obliged to ensure the fulfilment of requirements of the respective technical documentation, including the plan of quality pursuant to the ISO 10005:2005 standard, approved by SE.

12.12.7 In cases where the already completed plan of quality of classified equipment or other equivalent document (IPQA – individual programme of quality assurance) is related to the Performance, the Contractor shall be obliged to respect its requirements.

12.12.8 In cases relating to a revision or elaboration of a new plan of quality of classified equipment or a plan of quality according to ISO 10005:2005, the Contractor shall be obliged to submit it for approval to SE within 30 days from concluding the Contract.

12.12.9 The execution of the Performance on classified equipment can be started only after the approval of the plan of quality of the classified equipment by the NRA SR. If the Performance is not connected with classified equipment, the execution of the Performance can be started only after the approval of the plan of quality pursuant to the standard ISO 10005:2005 by SE.

12.12.10 If the subject matter of the Contract or part of it is the development of documentation, every developer of documentation for SE must, as a part of it, work out a list - the summary of the generally binding legal regulations used and the normative technical documentation used, including the safety guides issued by the NRA SR and harmonised standards valid in the EU.

When performing documentation revision, the relevance of the original list must be assessed. Its potential revision must be approved by SE. If there is no such list attached to the existing document, it must be produced additionally by the Contractor during the document revision and approved by SE along with the revised document.

12.12.11 The Contractor shall be obliged to rate and select its Subcontractors for Performance execution according to their abilities to fulfil the requirements under the Contract with SE. The Contractor shall reflect the requirements from the Contract with SE into the contracts with its Subcontractors, including the requirement for the Subcontractor's quality management system and respecting of the plan of quality, which the Contractor is obliged to verify at least once during the Contract duration, however, at least once per three years. The Contractor shall ensure and verify the ability of its Subcontractors to fulfil the requirements under the Contract during the Contract duration.

12.12.12 The Contractor undertakes to keep the documents related to the activities affecting the quality of the Performance for the entire period of the contractual relationship so that it prevents their damage, loss or destruction. The documents that are not handed over to SE, shall be stored by the Contractor for a period of 10 years after the completion of the Performance under the Contract. Prior to destruction, it shall hand them over to SE.

12.12.13 The Contractor shall be obliged to allow inspectors of the state supervision and state professional supervision, professionally competent personnel of SE or professionally competent personnel of another organisation to perform an audit on its behalf, for the purpose of audit of the quality management system or a review of compliance with only selected requirements of the ISO 9001:2008 standard, including the review of personnel, technical, material and organisational preconditions for the Performance execution and the audit of the observance of Contractor's quality plans in all premises and facilities of the Contractor and its Subcontractors. A breach of this duty by the Contractor shall be deemed a material breach of the Contract.

12.12.14 The Contractor is obliged to plan and perform the internal audits in accordance with the international standards ISO 9001:2008 and ISO 19011:2011 with the objective to verify whether the activities in the area of quality assurance and their results are in compliance with the planned requirements and is obliged to verify and evaluate the effectiveness of its quality management system. Internal audits shall be carried out by independent employees with the respective professional competence.

This clause shall not be applied, if the Contractor is a natural person, who executes the subject matter of the Performance on the basis of proving its professional competence in person and he/she need not have a quality management system in place during the Contract execution.

12.12.15 If the subject of Performance has an impact on nuclear safety, the inspections and tests at the Contractor, through which the Contractor proves the compliance of the Performance with the requirements, must be carried out by independent professionally competent persons, i.e. other than those, who were executing or directly managing the contractual performances, which are subject to the inspections and tests.

12.12.16 The Contractor shall be obliged to provide SE with the copies of all reports on the nuclear safety related nonconformities or nonconforming products found during the execution of the Performance, specifying whether it decided to eliminate the nonconformity or nonconforming product by repair or it decided to leave the defect with an exception. These reports must contain the technical reasoning of the nonconformity or nonconforming product settlement. If classified equipment is the subject of Performance, the Contractor is required, within the process of continuous improvement, to use feedback from similar performances executed by him in nuclear powerplants.

In case of the Performance, which in accordance with the Contract belongs to **Quality Assurance Category 2**, the following provisions shall apply:

12.12.17 The Contractor shall be obliged to dispose of a functional quality management system, which conforms to the requirements of the standard ISO 9001:2008, which it shall prove to SE on demand.

If the Contractor is a natural person, who executes the Performance subject matter on the basis of proving his/her professional competence in person, he/she need not have a quality management system in place during the period of Contract operation but he/she shall prove the personnel, technical, material and organisational preconditions for the Performance execution.

If the Contractor is not the producer of the Performance subject matter, the provisions of this clause shall refer to the producer of the Performance subject matter and the Contractor undertakes to ensure that the producer of the Performance subject matter is bound to meet the requirements of this clause.

12.12.18 The Contractor shall be obliged to respect the specific requirements of the state professional supervision and to reflect them in its own quality assurance documentation by incorporating them into the quality manual in accordance with the ISO 9001:2008 standard or by elaborating them in the plan of quality according to the ISO 10005:2005 standard. The Contractor shall hand over the quality plan to SE within 30 days after the signing of the Contract.

12.12.19 The Contractor shall be obliged to rate and select its Subcontractors according to their abilities to fulfil the requirements under the Contract with SE. The Contractor shall reflect the requirements under the Contract with SE in the contracts with its Subcontractors, including the requirement for the Subcontractor's quality management system and for the application of the quality plan requirements. The Contractor shall ensure and verify the ability of its Subcontractors to fulfil the requirements under the Contract during the Contract duration.

12.12.20 The Contractor undertakes to keep the documents related to the activities affecting quality for the entire period of the contractual relationship so that it prevents their damage, loss or destruction. The documents that are not handed over to SE, shall be stored for a period of five years after the completion of the Performance under the Contract. Prior to destruction, it shall hand them over to SE.

12.12.21 The Contractor shall be obliged to allow inspectors of the state supervision and state professional supervision, professionally competent personnel of SE or professionally competent personnel of other organisation to perform audit on its behalf, for the purpose of checks and review of quality and related documentation during Performance execution, audit of the quality management system or a review of compliance with only selected requirements of the ISO 9001:2008 standard, including the review of personnel, technical, material and organisational preconditions for the Performance execution and the audit of the observance of Contractor's quality plans in all premises and facilities of the Contractor and its Subcontractors.

XIII. LIABILITY FOR DAMAGE

In addition to art. 13. "THE CONTRACTOR'S RESPONSIBILITIES" of the General Part:

13.1 The Contractor shall be responsible for losses SE incurs due to its failure to adhere to legal or contractual obligations or SE incurs due to its performance during the Contract fulfilment.

13.2 Unless otherwise agreed in the Contract, the Contractor undertakes to indemnify SE for all the duties, losses, damage, fines, claims, complaints, taxes, obligations, disputes, expenses and costs (including the adequate fees for legal consulting, costs and expenses of investigation), which SE will have to execute or which are incurred by SE and related to or occurring on the basis of the direct or indirect violation of any declaration, guarantee or obligation of the Contractor under the Contract.

13.3 If during the Contract fulfilment damage is caused to SE due to the Contractor's activities, the Contractor undertakes to compensate for the damage caused to SE to a provable extent according to this Article. The Contractor shall compensate the damage to SE **within 10 days** from the delivery of its statement to the Contractor.

13.4 The title to claim the contractual penalties according to the Contract or Article XV, shall not affect the title of SE to damage compensation in an amount exceeding the contractual penalty.

13.5 SE and the Contractor are not responsible for damage suffered as a result of circumstances excluding liability pursuant to Article XVII.

XIV. WARRANTY AND LIABILITY FOR DEFECTS

In addition to art. 14. "THE CONTRACTOR'S WARRANTIES" of the General Part:

14.1 The Contractor declares and guarantees that the Performance will be delivered to the SE in compliance and to the extent, quality and under conditions as agreed in the Contract and annexes thereto. At the same time, the Contractor guarantees that the Performance will be free of legal defects.

14.2 Unless stated otherwise in the Contract, the Contractor undertakes that the Performance will retain its features pursuant to the Contract and shall be held liable for defects of Performance throughout the warranty period which shall be **24 months**.

14.3 The warranty period shall start on the day of the takeover by SE of the Performance without any defects and unfinished works, and signing of the Takeover Protocol pursuant to the clause 9.4.1 herein, if not agreed otherwise in the Contract or in legal regulations in force. If the Contractor is obliged to send the Performance to SE, the warranty period shall start to lapse from the day of arrival or handover of the Performance to the place of destination and its takeover by SE.

The Contractor may unilaterally extend the warranty period by making a statement of warranty extension.

If the quality warranty is provided, the warranty period shall start to lapse at the moment of passing of the risk of damage to the Performance to SE.

14.4 The warranty period shall not apply for the period when SE is unable to use the Performance due to its defects for which the Contractor is responsible. The warranty period shall also be interrupted for the parts of Performance, on which the claimed defects are being removed and shall recommence only on the day following after the date of SE's written confirmation of the defect's removal. In case of defects to the Performance, for which repair is only possible through exchange of the part or replacement thereof, the warranty period shall recommence on the day following after the date of removal of such defects repaired this way and their written takeover by SE.

14.5 The warranty also applies to any defects resulting from defects of material or defective components of the Performance. The Contractor is responsible for defects of material, defects caused by the manufacturer, Subcontractor or any other defects.

14.6 The Contractor shall notify SE in writing, at the latest on takeover of the Performance, of any specifics of the Performance provided and at the same time provide SE with a detailed manual defining the necessary maintenance. In case of the parts of the Performance, for which a special service or reviews are requisite by the manufacturer or supplier, the Contractor is obliged to provide SE with a written service plan or a plan of mandatory reviews over the warranty period, along with drafts of relevant service contracts with the entities authorized to carry out such service or review.

14.7 If performance which is purchased by the Contractor from a third party for resale to SE is covered by a warranty provided by the third party, this must not be shorter than the period pursuant to clause 14.2 herein from the Performance takeover. The Contractor is obliged to inform SE about any circumstances which could possibly influence filing of claim from defects of such Performance, in particular, it is obliged to notify SE in writing of the date of expiry of the warranty period and is obliged to hand over the SE on handover

of the Performance any documents necessary to be submitted in case of filing claims from liability for defects, as well as a full list of parts of the Performance, specifying the warranty period of a particular part of the Performance.

14.8 The Performance has defects if it fails to correspond with the result specified in the Contract, with the purpose of its usage, or if the qualities set out in the Contract or in the generally binding legal regulations or valid technical standards or other obligations of the Contractor pursuant to the clause 9.4.7 herein failed to be met.

14.9 The Contractor shall be held liable for defects of the Performance at the time of its handover and takeover by SE, regardless of when the defect was detected by SE, even if the defect becomes obvious (detected by SE) after this time, if SE notifies such defects to the Contractor not later than until expiry of the warranty period.

14.10 In the event that the Performance shows obvious defects at the takeover, SE shall be entitled to refuse to take over the Performance. If takeover of the Performance is refused, SE shall make a record where it shall state the defects. One counterpart of the record on the refusal to take over the Performance shall be provably handed over to the Contractor. The Contractor is obliged to remove the defects without undue delay, however at the latest **within 5 working days,** unless the Parties agree otherwise. After their removal, the Contractor shall be obliged to repeatedly call upon SE to take over the Performance pursuant to this clause and to draw up the Takeover Protocol pursuant to the clause 9.4.1 herein. Should the Parties agree a period longer than 5 working days, the Contractor is obliged to start removing the defects within 2 working days from the drawing up of the record pursuant to this clause.

14.11 SE may take over the Performance with defects that do not prevent its use or unfinished works that are capable of use (hereinafter referred to as "**Small Defects**"). If this is the case, the Takeover Protocol shall contain a list of Small Defects. Description of the Small Defects mentioned in the list shall be specific and clear, and a date of removal of each Small Defect shall be agreed on with the Contractor. Where agreement on the date is not reached due to various reasons, the deadline for the Small Defect removal is **5 working days** after its detection at the Performance takeover.

Should the Parties agree a period longer than 5 working days, the Contractor is obliged to start removing the Small Defects within 2 working days from drawing up the Takeover Protocol. For the avoidance of doubt also in the case of takeover of the Performance with Small Defects, the Performance will be deemed duly handed over and the Contractor's obligation duly fulfilled only upon removal thereof.

14.12 The Contractor is responsible for defects of the Performance which arose after the Performance's handing-over if these defects were caused by a breach of its duties or if the defect occurs in the context of SE's action (e.g. defects occurring due to damage to the Performance by SE or by a third party, or due to an act of SE or a third party) according to the user manual or other documents supplied by the Contractor pursuant to the Contract (e.g. pursuant to the clause 14.6 herein).

14.13 The Contractor is not responsible for defects of the Performance that resulted when SE supplied inappropriate or incomplete basic documents by SE and the Contractor could not find out their inappropriateness even when using professional care, except in the event of a breach of the declarations or obligations of the Contractor pursuant to the clause 12.6 herein, or when the Supplier notified SE of inappropriateness in writing and SE insisted on their usage.

14.14 **Claims for defects**

If the Contractor provided a Performance with defect/defects, SE may:

a) ask for removal of the defect/defects at the Contractor's expense by alternate performance instead of the Performance with defects;

however, SE is not entitled to require the provision of the alternate performance, if it is not possible to return or hand the Performance over to the Contractor considering its nature, except for the Performance on the basis of contract for work, where SE are entitled to require the alternate performance even if it is not possible to return or hand the Performance over to the Contractor considering its nature, unless agreed otherwise by the Parties, or

b) require the removal of the defect/defects by the delivery of missing Performance, or

c) require the removal of defect/defects at the Contractor's expense in the form of repair in the case of reparable defects; or

d) require an adequate discount from the Price of the Performance; or

e) withdraw from the Contract.

SE shall be entitled to choose from the claims referred to in this clause only if SE informs of such choice to the Contractor in the claim.

SE shall be entitled to refuse partial Performance, i.e. Performance which does not contain the agreed scope of the Performance.

All the cost connected with defects' removal shall be borne by the Contractor.

14.15 SE shall claim defects to the Contractor in written without undue delay from the time of their detection. SE shall define its requests and the choice between the claims mentioned in the clause 14.14 herein. SE may also enclose appropriate evidence with its claim. SE cannot change the applied claim without the Contractor's approval, except for the following cases:

a) After lapse of a period of time set by SE or a period defined in the clause 14.16 herein, the Contractor fails to carry out significant part of the acts leading to the satisfaction of SE's claim, or

b) The defects of the Performance are irreparable, i.e. the removal of the defects would be connected with unreasonable cost exceeding 50% of the Price, or

c) Unreasonably extensive cooperation would be required from SE for the removal of the defects, or

d) The removal of the defects would only be possible after lapse of an disproportionate period of time.

14.16 If not set otherwise by SE in the claim, the Contractor undertakes to start eliminating the defects without undue delay after filing of the claim by SE in writing, within 3 working days after delivery of the claim to the Contractor at the latest, in case of operation-related failures within 12 hours at the latest (in case of breakdowns immediately). The Contractor is obliged to remove the claimed defects in the shortest possible period of time, however, at the latest **within 5 working days** after delivery of the claim to the Contractor, unless set otherwise by SE in the claim. This shall not apply in the cases, when it is not objectively possible, due to technical or technological reasons, to remove the defect within the aforementioned 5-day period (e.g. due to the delivery term of the material) and the Contractor notifies SE of this fact prior to expiry of the aforementioned period along with proper justification, in particular at the latest within 3 days from the date of delivery of the claim. Otherwise, the aforementioned periods shall apply.

14.17 After removal of the claimed defect, the Contractor and SE shall execute a protocol on the removal of warranty defect, where SE shall confirm that the defect has been removed duly and on time. For the avoidance of doubt, a defect shall be deemed duly removed only by confirmation of SE on removal of the defect in the written protocol pursuant to the previous sentence.

14.18 Should the Contractor fail to start eliminating the defects of Performance immediately or continue with the proper elimination of the defects or meet the duty of eliminating the defects of the Performance within the period referred to in this clause, SE may claim from the Contractor the contractual penalty pursuant to the clause 15.3 herein.

14.19 The Contractor is not entitled to refuse or anyhow postpone removal of claimed defect even if, in its opinion, the claim in question is not justified or not within its responsibility. However, the Contractor is entitled to subsequently prove duly the insubstantiality of such claim and if this is proved, the Contractor shall be entitled to compensation of costs provably incurred to remove such defect, but only on condition that SE was notified of such circumstances by the Contractor within 3 days from the claim delivery. Until a lawful decision on the claim is taken, all costs shall be temporarily borne by the Contractor. For the avoidance of doubts, the burden of proof that a defect claimed by SE during the warranty period is not a warranty defect and thus not within the Contractor's responsibility, shall be fully borne by the Contractor.

14.20 SE is entitled to make a unilateral assignment (even without the Contractor's consent) of their rights resulting from the warranties provided by the Contractor for Performance, to any third person, or several third persons.

14.21 For the avoidance of doubt, during the warranty period, the Performance shall be fit for use and shall preserve the features (quality) agreed upon herein.

14.22 **Claims for failure to remove defects**

Should the Contractor fail to remove the defects within the deadline referred to in clause 14.16

herein or if the Contractor notifies SE prior to the expiration of the deadline for their removal that he will not remove the defects, SE may:

a) remove the defects themselves or have them removed by a third party without any influence on the Contractor's warranty, at the Contractor's expense,

b) claim a reasonable discount on the Price for the Performance;

c) withdraw from the Contract.

In such case, SE is obliged to inform the Contractor about its decision in writing and without undue delay.

Should SE remove the defects themselves or have them removed by a third party, the price of these works will be standard, considering the specific circumstances of the case (time pressure especially), however, regardless of the Contractor's prices. Such price of works carried out by SE or a third party shall be charged to the Contractor up to the amount of invoiced costs, with a coordination premium equal to 10% of the total net invoiced price.

14.23 **Price discount**

In case SE seeks a Price discount as a result of defective Performance, the Parties agree that the Price discount will be defined on the basis of their written agreement. If the Parties do not agree on an adequate Price discount **within 30 days** from the day of sending of a claim notice, the Price discount shall be calculated as a sum of:

a) the difference between the value that the Performance should have without any defects and the value of the defective Performance at the time when the Performance should be provided, and

b) costs to be spent by SE on activities necessary for the Performance to become free of any defects pursuant to the Contract.

The value of the Performance without defects and the value of the Performance with defects as well as the sum of costs spent by SE for elimination of the defects shall be specified by an expert opinion submitted by SE.

In case of the Price discount application by SE before issuance of an invoice for the Performance to which the Price discount relates, the Contractor shall decrease the invoiced Price by the amount of the discount. In the case of the Price discount application by SE after issuance of an invoice for the Performance, the Contractor shall issue an invoice for the correction of the VAT basis in compliance with valid legislation, unless the provision below applies. The Contractor is obliged to issue and deliver the corrective invoice not later than within 15 days from the day when the Parties agreed on the Price discount. The provisions of clause 7.2 shall apply to the delivery of the corrective invoice.

If the Contractor is a VAT payer in the SR and SE applies a Price Discount pursuant to this clause, the Contractor and SE agree, that in compliance with the provision of Section 25 (6) of the Act on VAT, the tax basis and tax payable shall not be adjusted.

14.24 **Legal defects**

14.24.1 The Performance shall be deemed to have legal defects if it is encumbered with a right of a third party or if the Contractor is obliged to create such third-party rights (e.g. with the right resulting from industrial and intellectual property, lien and the like). The Performance shall also be deemed to have legal defects in the case pursuant to Section 433 (2) of the Act No. 513/1991 Coll. Commercial Code as amended (hereinafter referred to as "**Commercial Code**"). The application of Section 434 of Commercial Code shall be excluded for the purposes of this Contract (hereinafter referred to as "**the Legal Defects**").

14.24.2 SE shall be obliged to notify the Contractor of the defects in writing after he has learned about the exercise of the third-party right.

14.24.3 If the Performance has any legal defect, SE shall be entitled to request from the Contractor to remove the legal defects without undue delay and at its own expense, not later than **within 30 days** after the delivery of SE's written notice on the Legal defect, unless set otherwise by SE in the notice.

14.24.4 If the Contractor fails to remove the legal defects of the Performance within the deadline pursuant to preceding clause, SE shall be entitled to:

(i) request a discount on the Price; or

(ii) withdraw from the Contract.

14.24.5 SE is obliged to make the choice of the entitlements according to preceding clause **within 30 days** after expiry of the deadline pursuant to clause 14.24.3 herein.

Until the time of removal of the Legal defects, SE shall not be obliged to pay that part of the Price which would correspond to the SE's right to a discount if the Legal Defects were not removed.

14.24.6 In the case of Legal defects of any component of the Performance, the Contractor shall be also obliged to defend SE, at its expense, against the claims of third parties resulting from the breach of their rights, and to pay all sums, in particular, the costs, damages and costs of legal representation, which will be adjudicated by a final court decision to a third party, or to which such a third party will be entitled, according to a third party settlement agreement approved by the Contractor, provided that SE notify the Contractor in written form of the Legal defects within the deadline pursuant to preceding clause and allow the Contractor to cooperate with SE in the defence and related negotiations on a settlement.

In such a case, the Contractor shall have the obligations referred to in this clause also in the case that third-party rights are breached due to the actions of SE or a third party authorized by SE, made according to the specifications or instructions communicated by the Contractor to SE in advance.

14.25 Other relations of the Parties related with the warranty for Performance, defects of the Performance or entitlements resulting therefrom, shall be governed by the respective provisions of the Commercial Code.

XV. CONTRACTUAL PENALTIES AND SANCTIONS

In addition to art. 15. "PENALTIES" of the General Part:

15.1 If the Contractor fails to commence executing the Performance according to this Contract or if it interrupts provision of the Performance, SE may claim from the Contractor the contractual penalty in the amount of **10% of the Price**.

15.2 Should the Contractor fail to meet the deadline for the delivery of the Performance agreed in the Contract, SE may claim from the Contractor the contractual penalty in the amount of **0,5%** of the price for non-delivered Performance for every, even a started, day of delay. The above shall also apply if the Contractor fails to meet the deadline for the Payment Milestone, or in the case of non-delivery or delayed delivery of documents, that are necessary for the takeover or use of the Performance, or other documents, which the Contractor is obliged to hand over to SE under the Contract.

15.3 Should the Contractor fail to start removing the defects of Performance or of Legal Defects without undue delay or to continue with the proper removal of the defects or to meet the duty of removing the defects of the Performance or of Legal Defects pursuant to the clause 14.16 or 14.24.3 herein or another deadline agreed between SE and the Contractor, or set in the Takeover Protocol, SE may claim from the Contractor the contractual penalty in the amount of **0,5% of the Price**, for every individual defect of the Performance or of Legal Defect and for every, even a started, day of the delay related to its removal.

15.4 If the Performance has defects not caused by SE, and SE will not be able to properly utilize the Performance during the warranty period, SE are entitled to claim from the Contractor and the Contractor is obliged to pay the contractual penalty in the amount of **2,5% of the Price**.

15.5 Should the Contractor fail to fulfil any obligation from those mentioned in the clause 12.5 herein, SE may claim from the Contractor the contractual penalty in the amount of **EUR 100** for every individual breach.

15.6 Should the Contractor fail to fulfil any obligations from those mentioned in the Article x. herein, SE may claim from the Contractor the contractual penalty in the amount of **1% of the Price** for every individual breach.

15.7 Should the Contractor assign or establish the pledge right over the receivables resulting from the Contract contrary to the clause 11.1 herein, SE may claim from the Contractor a contractual penalty in the amount of **100%** of the financial volume of such assigned, pledged or sold receivable. For the purposes of this clause, the financial volume shall mean the total value of the principal receivables including the value of accessories to the receivables as of the date of the assignment or sale or other disposal of the receivable.

15.8 If information of a confidential nature (trade secret, confidential information of financial nature, sensitive information about critical infrastructure etc.) is leaked on grounds for which the Contractor is liable or

if the Contractor breaches any obligation from those mentioned in the Article XXII herein, SE may claim from the Contractor the contractual penalty in the amount of **EUR 20,000** for every individual breach.

15.9 In case of breach of the prohibition of bringing in and taking out prohibited items pursuant to clause 9.1.3 herein, SE may claim from the Contractor a contractual penalty in the amount of **EUR 1,700** per case, except for the cases defined in letter b). A worker for the Contractor who breaches the prohibition will be included in the database of undesirable persons with entry banned for the whole contract term, as a minimum for a period of **12 months** from such violation, and potentially for longer period, depending on the severity of breach.

15.10 In case of a positive result of a test performed in accordance with clause 9.1.4 herein, SE may enforce against the Contractor and the Contractor's personnel the following sanctions:

a) If a breathalyzer test result is up to 0.14mg/l (0.29 per mille) inclusive is considered an obstacle to the work on the side of the Contractor's worker and the controlled Contractor's worker will be banned from entry into SE premises, respectively the Contractor's worker shall be taken out from the premises of SE, accompanied by the entrusted person of SE.

b) If a breathalyzer test result is in extent from 0.15 mg/l to 0.29 mg/l (0.30 – 0.60 per mille) – the controlled Contractor's worker shall be banned from entry into the premises of SE and the Entry IDC of the controlled Contractor's worker will be withheld until the next arrival for the Performance in the premises of SE. In the event that the controlled Contractor's worker repeatedly breaches the prohibition of the use of alcohol (use of narcotic and/or psychotropic substances) he shall be banned from entry into the premises of SE for the whole contract duration, up to a maximum period of **12 months**.

c) If a breathalyzer test result is exceeding 0.29 mg/l (above 0.60 per mille) – the Entry IDC of the controlled Contractor's worker shall be collected and he shall be banned from entry, accompanied by the entrusted person of SE, he shall be taken out from the premises of SE. The controlled Contractor's worker shall be permanently banned from entry into the premises of SE.

d) In case of rejection to undergo a breathalyser test or test of use of narcotic or psychotropic substances – the Entry IDC of the controlled Contractor's worker shall be collected, the Contractor's worker shall be permanently banned from entry into the premises of SE and he shall be taken out from the premises of SE, accompanied by the entrusted person of SE.

15.11 For demonstrable breach of the OHS legal regulations and rules by the Contractor, SE may claim the contractual penalty from the Contractor:

a) In the amount of **EUR 500** for each individual case, unless the breach has been classified severe, very severe or extremely severe according to the List included in the clause 18.2.1 of the General Part or in the Indicative list included at the end of this document,

b) In the amount of **EUR 1,000** for each individual case, for severe breach according to the List included in the clause 18.2.1 of the General Part or in the Indicative list included at the end of this document,

c) In the amount of **EUR 2,000** for each individual case, for very severe or extremely severe breach according to the List included in the clause 18.2.1 of the General Part or in the Indicative list included at the end of this document.

15.12 In case of demonstrable breach of OHS rules or in case of repeated breach present in the included in the clause 18.2.1 of the General Part or in the Indicative list included at the end of this document, by the same worker, the worker shall be included in the database of undesirable persons with entry banned for the whole contract term, up to a maximum period of **12 months** from the breach.

15.13 Should the Contractor breach the OHS legal regulations and rules, resulting in:

a) an accident at work of a member of SE personnel, Contractor's personnel or third party personnel causing the affected person's incapacity for work lasting up to 30 days, SE may claim a contractual penalty from the Contractor in the amount of **1% of the Price**, however not less than **EUR 5,000** per each individual case,

b) a fatal accident at work of the SE personnel, Contractor's personnel or third party personnel, or serious accident at work of the SE personnel, Contractor's personnel or third party personnel that caused the personnel's incapacity for work lasting longer than 30 days, SE may

claim a contractual penalty from the Contractor in the amount of **2% of the Price**, however not less than **EUR 30,000** per each individual case.

15.14 For failure to report a fire, accident or an extraordinary event with effect to the environment pursuant to the clause 24.4 herein, SE may claim the contractual penalty from the Contractor in the amount of **EUR 1,700** per each case.

15.15 In case of breach of valid legal regulations regarding the environment on the SE premises by the Contractor's personnel, SE may claim the contractual penalty from the Contractor in the amount of **EUR 2,000** per each case.

15.16 In the event that a penalty or any other type of sanction is imposed on SE by state authorities in connection with the Contractor's breach of tax and/or customs obligations, obligations related to nuclear safety, OHS or environmental protection, which are set out in the Contract, SE shall be entitled to a contractual penalty and the Contractor shall be obliged to pay a contractual penalty in the amount of the imposed penalty and/or sanction, and that in its full extent. If SE is obliged to pay a certain financial sum imposed by the state authorities in connection with the Contractor's breach of tax and/or customs obligations in line with the applicable legal regulations (e.g. additionally levied tax) in addition to the imposed sanction and/or penalty as stated in the previous sentence, this financial sum shall be also included into the contractual penalty agreed herein. The Contractor hereby declares in line with Section 401 of the Commercial Code, that the limitation period for SE's right to contractual penalty as stipulated herein, shall not be statute barred earlier than 10 years after the day of the breach of the Contractor's obligation as set out herein, if no special arrangement for the start of the limitation period is defined in special legal regulations.

15.17 Any contractual penalties pursuant to the Contract will be applied in the form of a **penalty invoice** and are **due within 10 days following the day of issuing** a penalty invoice.

15.18 The Parties declare the amount of contractual penalties agreed under the Contract to be considered as adequate to the secured claims.

15.19 A claim for payment of the contractual penalty shall not relieve the Contractor of the obligation to provide the Performance or hand over the documents under the Contract.

15.20 If the amount of contractual penalties, which SE claimed from the Contractor pursuant to the Contract, exceeds the limit of 50% of the Price, SE is entitled to withdraw from the contract.

XVI. SUSPENSION OF WORKS AND TERMINATION OF THE CONTRACT

In addition to art. 16. "SUSPENSION, WITHDRAWAL AND TERMINATION" of the General Part:

16.1 **Suspension of works**

16.1.1 In the case of any breach of the Contractor's obligations related with Occupational Health and Safety (OHS) during execution of the Performance on the SE premises, SE shall be entitled to give an instruction to the Contractor and the Contractor, based on this instruction, will be obliged to suspend (even repeatedly) all or some works on the Performance. SE shall specify to the Contractor the reason for its instruction to suspend works. Should the subject matter of Performance be manufacturing of work, the Contractor shall take appropriate measures for correct storage, conservation, protection and preservation of the work, and to protect, conserve and preserve work from any decay, devastation or damage during the suspension. SE shall make a record about such instruction in the Logbook. SE shall inform the Contractor about the estimated duration of the suspension and in case of change in the estimated duration of the suspension, SE shall inform the Contractor about a new estimated date of re-starting of works. In case of any suspension of works, the Parties always have to meet in order to discuss the scope of suspension, in particular demobilisation, scope of conservation works, estimated costs of suspension and other consequences. The obligation of the Contractor to interrupt the works does not concern a suspension of technology equipment and other activities, if pursuant to the Contract they are supposed to be manufactured outside SE's premises or if the place of delivery/execution, handover and takeover of the Performance is outside SE.

16.1.2 Should:

(i) the instruction for suspension be given for a period not longer than **7 days** and in total such instructions for suspension of works do not exceed **20 days**; or

(ii) the Contractor bear the responsibility for the reason causing instruction for suspension, or if

such suspension was caused by breach of the Contract by the Contractor,

then all costs incurred with regard to the suspension of works are borne by the Contractor.

16.1.3 Should the Contractor due to the suspension get into delay, the Contractor shall inform SE. If the delay of the Contractor arose from the reasons on the part of SE, the Contractor shall have the right for extension of the deadline for the execution of the Performance, including the dates of the Payment Milestones, if any.

16.1.4 The Contractor is not entitled to the extended deadline for executing the Performance, including the dates of the Payment Milestones, if the Contractor is liable for the reason why a suspension was ordered or such suspension was enforced as a result of a breach of the Contract by the Contractor (defective performance, breach of the Contract). Costs connected with repeated commencement of works shall be borne by the Contractor.

16.1.5 After issuing a permission or instruction to continue works, SE and the Contractor shall together review the subject matter of Performance to which the suspension of works applied. The Contractor shall repair or replace decay, defects, degradations or damage in the Performance if they occurred during suspension of works. Should it be necessary, due to error of the Contractor, to perform certain measures to mitigate losses, the Contractor shall take such measures.

16.1.6 Notwithstanding the provisions of art. 16.1. “Suspension.” of the General Part, the provision of the last sentence of the clause 16.1.1 shall not apply.

16.2 SE and the Contractor have agreed that the Contract shall be terminated by:

a) The delivery of the Performance and by fulfilment of the related contractual obligations of the Parties,

b) Expiration of the term for which the Contract is concluded,

c) a written agreement of the Parties,

d) a written notice of termination under clause 16.3 herein,

e) a written withdrawal from the Contract pursuant to clause 16.4 herein.

16.3 **Termination of the Contract by notice**

Unless otherwise agreed in the Contract, SE shall have the right to terminate the Contract for the recurring Performance concluded for a fixed term, without giving reasons, by delivery of a written notice of termination to the Contractor.

Notice period is **one month** which shall start on the first day of the month following the delivery of the notice to the Contractor.

In case of a Performance with the character of a work, the Contractor shall undertake to hand the work over to SE in the condition in which it is at the end of the notice period, and SE shall undertake to pay to the Contractor only the amount to which it is entitled with regard to the degree of the work’s completion. The sum shall be set on the basis of an agreement of the Parties. If the Parties do not agree within **15 days** from the termination of the Contract or in the period agreed between the Parties, the sum shall be set by SE.

16.4 **Termination of the Contract by withdrawal**

Any Party is entitled to immediately terminate the Contract in the following cases:

a) Pursuant to Section 345 (1) of Commercial Code, i.e. in case of material breach of the legal obligations or obligations laid down in the Contract by the other Party, where the Party should notify the other Party thereof immediately upon learning of such breach, or

b) Pursuant to Section 346 (1) Commercial Code, i.e. in case of minor breach of the Contract, should the other Party breach some of its legal or contractual obligations and fail to make good even within an adequate additional period, upon written notice,

in which case termination shall be based on a unilateral written notice.

16.5 **Termination of the Contract by withdrawal due to reasons on the Contractor’s part**

A material breach of the Contract by the Contractor shall be considered mainly but not limited to:

a) The Contractor’s delay of due completion of the Performance, exceeding **30 days**,

b) The Contractor's interruption or suspension of the Performance without the instruction or consent of SE, exceeding **5 days**,

c) Failure to observe the agreed deadline for the removal of a defect on the Performance, or deadline pursuant to the clause 9.2.3 herein, or delay with the removal of the defect found out during the execution of the Performance recorded in the Logbook, in the claim or in other usual record the Contractor was familiarised with,

d) If the Contractor acts in any way whatsoever contrary to the principles of fair business, commits an unfair competition act, acts contrary to legal regulations on competition protection, or harms the reputation and legitimate interests of SE through its action,

e) If while providing the Performance for SE, the Contractor breached, circumvented or failed to comply with the provisions of those clauses of the Contract the breach of which is deemed a material breach of the Contract, applicable legal regulations or SE internal rules related to OHS, fire protection, the environmental protection, entries to SE's premises, prohibition of illegal employment resulting from the legal regulations valid in the territory of the Slovak Republic or terms and conditions specified in the GTT, or SSTC if applicable,

f) If the Contractor is declared bankrupt, the Contractor is in liquidation, there was discontinued a bankruptcy proceeding against the Contractor due to lack of assets or cancelled bankruptcy due to lack of assets,

g) If the Contractor, the Contractor's statutory body or a member of the Contractor's statutory body was lawfully sentenced for the criminal offence of corruption, for the criminal offence of harming financial interests of the European union, for the criminal offence of money laundering, for the criminal offence of setting-up, organizing and supporting a criminal gang, for the criminal offence of setting-up, organizing and supporting a terroristic group, a criminal offence of terrorism, or some forms of involvement in terrorism or for a criminal offence concerning their professional conduct,

h) If the Contractor has been deprived of the authorization to perform the subject matter of the Contract,

i) Breach of a trade secret or a confidential information non-disclosure obligation,

j) If the Contractor breached any obligation from those mentioned in the Article x on Subcontractors or if the Contractor breached the subcontract and in the Customer's opinion, such breach endangers the quality and timely delivery of the Performance or a part thereof (e.g. The Contractor fails to pay the Subcontractor's invoices duly and on time),

k) Any other breach of the obligations by the Contractor having impact on proper completion of the Performance,

l) Refusal by the Contractor to start executing the Performance,

m) Refusal by the Contractor to continue executing the Performance according to the instruction from SE to continue executing the Performance, the interruption of which was instructed by SE,

n) If the Contractor assigned the right or established the pledge right over the receivables resulting from the Contract without previous written consent of the Client contrary to the clause 11.1 herein,

o) If SE becomes subject to an obligation to guarantee the VAT on behalf of the Contractor pursuant to Section 69 (14) of the Act on VAT,

p) If the Contractor is a tax debtor pursuant to Section 69 (14) of the Act on VAT,

q) If the Contractor breached the obligation to enable execution of audit according to the clause 12.12.13 or 12.12.21 herein,

r) If the Contractor breached the obligation and authorisation to use all the things, documents, background data handed over to it by SE exclusively for the purposes agreed upon in the Contract according to the clause 9.5.2 herein,

s) If the Contractor breached the obligation to allow audit of the quality management system or a review of compliance with only selected requirements of the ISO 9001:2008 standard, and the

audit of the observance of Contractor's quality plans pursuant to clause 12.12.13 or 12.12.21 herein.

The Contractor is obliged to inform SE without undue delay about occurrence of any of the aforementioned situations, which may be the reason for SE's withdrawal from the Contract.

In order to avoid any doubt, the Parties expressly agreed that SE are entitled to withdraw from the entire Contract even if the subject matter of the Contract contains several separate Performances and the breach of the Contract, irrelevant whether material or minor, only applies to any individual Performance.

In the event of a withdrawal from the Contract due to reasons on the Contractor's part, SE shall be entitled to require handover of the part of the Performance already executed by the Contractor. In such case, SE shall pay to the Contractor the proportion of the Price corresponding with the Performance executed.

16.6 **Termination of the Contract by withdrawal due to reasons on the Contractor's part regarding non-compliance with the Occupational Health and Safety Requirements**

SE is entitled to terminate the Contract due to following material breaches of the Contract:

a) If the Contractor breaches any of the requirements concerning occupational health and safety of the Contractor's employees or persons involved in execution of the Performance, mainly:

   (i) Failure to complete/sign/prepare/update/deliver the documents concerning OHS in the way and deadlines pursuant to the Contract or applicable legal regulations,

   (ii) If SE finds out that for execution of Performance the Contractor uses personnel, who do not comply with the requirements for the specific execution of works, as set out in the Contract or applicable legal regulations,

   (iii) If SE finds out that the Contractor has failed to observe the requirements set out in the Contract or applicable legal regulations related to OHS and use of work equipment,

   (iv) If SE finds out that the Contractor has breached any of the obligations set out herein related to OHS.

b) In case of occurrence of some of very severe or extremely severe breaches indicated in the List included in the clause 18.2.1 of the General Part, or in the additional Indicative list of severe , very severe and extremely severe breaches of occupational safety, provided at the end of this document.

16.7 Unless otherwise agreed in the Contract, withdrawal shall enter into effect on the day of the delivery of the notice of withdrawal to the other Party and shall not affect the confidentiality provision which shall remain valid and effective.

16.8 In the event of a withdrawal from the Contract, the Parties shall agree **within 15 days** upon the manner of settling the liabilities resulting from the terminated contractual relationship.

If possible and unless agreed otherwise by the Parties, the Contract shall be cancelled from the very beginning and the Parties will mutually return any provided Performance and payments or other considerations and advances. SE shall waive any rights to the returned items. The cost of removal shall be borne by the Contractor.

If it is not possible or practical to return a part of the Performance and unless agreed otherwise between the Parties, SE shall not return a part of the Performance and the Contract shall not be cancelled from the very beginning, in which case SE shall pay the Contractor only for the part taken over and invoiced and if such part of the Performance has not been taken over and invoiced yet, SE shall pay to the Contractor only the amount to which it is entitled with reference to the degree of completion of the Performance. The sum shall be determined on the basis of an agreement of the Parties. If the Parties do not agree **within 15 days** from delivery of SE's written notice of withdrawal from the Contract, the sum shall be determined by SE. In such case, SE will only pay the Contractor the amount due for the work, services, or performances carried out, handed over and invoiced before the termination of the Contract came into effect, except for the invoiced VAT in case the Contractor has been published in the List kept by the Financial Directorate of the Slovak Republic in compliance with the Section 69 (15) of the Act on VAT. SE shall be entitled to retain the VAT from the invoices issued until the Contractor proves the opposite, i.e. that it delivers a declaration from the Tax Office that it has no tax liabilities for the period when SE is the guarantor pursuant to aforementioned provision of Act on VAT or it was deleted from the List kept by the Finance Directorate of the SR.

16.9 The Contractor shall be obliged to return SE any documents or materials provided to the

Contractor by SE in connection with the Contract, namely immediately after:

a) the Contractor delivered the Performance to SE pursuant to the Contract;

b) withdrawal from the Contract or termination of validity or effect of this Contract in any other way; or

c) SE requests it.

XVII. LIABILITY PRECLUDING CIRCUMSTANCES / FORCE MAJEURE

In addition to art. 17. “FORCE MAJEURE” of the General Part:

17.1 Neither of the Parties shall be held liable for failure to perform its obligations arising from the Contract, except for the obligation of the Contractor to provide SE with information pursuant to the clauses 8.1, 8.4, 8.5, 8.6 and 12.5 herein if it is proven (whereas the conditions shall be fulfilled cumulatively) that:

a) such failure was caused by extraordinary unpredictable and unavoidable events, and

b) neither obstacles nor their consequences could be predicted at the time of the Contract conclusion; and at the same time

c) neither obstacles nor their consequences could be prevented, avoided or overcome.

17.2 Unpredictable and unavoidable obstacles shall not include those which were caused due to failure to grant official permits, licences of similar authorisations for the purposes of the Performance.

17.3 The Party, on the part of which a circumstance precluding liability due to force majeure occurred, is obliged to inform the other Party about such obstacle preventing it from duly fulfilment of obligation, without undue delay after having known about the obstacle, or could have known about it considering all circumstances.

17.4 Notwithstanding the provisions of art. 17. “FORCE MAJEURE” of the General Part, the provisions of the clause 17.3. shall apply in the following modified wording:

“The Contractor cannot claim the liability precluding circumstances in the cases as follows:

a) Meteorological conditions or phenomena which could have been reasonably anticipated taking into account the Contractor’s experience and in this respect it was possible to avoid damaging effects, even if only partially,

b) Failure to ensure or delay in ensuring of materials or workforce which occurred even it could have been reasonably anticipated taking into account the Contractor’s experience or it could have been prevented or mitigated,

c) Strikes at the Contractor or its Subcontractors, with the exception of nationwide strikes,

d) Delay with executing works or services by Subcontractors, unless it was caused due to force majeure,

e) Condition of the area, where the activities hereunder shall be performed, preventing duly fulfilment of contractual or legal obligations of the Contractor and which could have been reasonably anticipated taking into account the Contractor’s experience, or which should have been detected by the Contractor during technical inspection of the area.”

17.5 The consequences of circumstances precluding liability are limited to the duration of the obstacle to which these consequences are related.

17.6 The time of Performance shall be extended by the duration of liability precluding circumstances so as to be acceptable to the eligible Party. During this period, the eligible Party is not entitled to withdraw from the Contract.

17.7 Notwithstanding the provisions of the clause 17.6 art. 17. “FORCE MAJEURE” of the General Part, should the duration of liability precluding circumstances exceed **6 months**, either Party shall be entitled to unilaterally terminate the Contract by the withdrawal; such withdrawal is effective on the day of delivery of the notice on withdrawal to other Party.

XVIII. MANAGEMENT SYSTEMS AND AUDITS OF SYSTEMS

18.1 Health & safety management system

This clause applies to the Contractor in the event that the requirements for the Contractor or a part of the Contractor's qualification contained a request for a health & safety management system that functionally covers the principles inspired by the OHSAS 18001:2007 or equivalent standard/guideline.

The Contractor is obliged to have a functional health & safety management system in place corresponding to the OHSAS 18001:2007 requirements or equivalent standard/guideline, which shall be demonstrated on the SE request during the effective period of the Contract by:

a) Valid certificate issued by an accredited certification company, or

b) Documented description of its health & safety management system in place.

18.2 Environmental management system

This clause applies to the Contractor in case the requirements for the Contractor or a part of the Contractor's qualification contained a request for functional environmental management system according to EN ISO 14001:2004 or equivalent standard/guideline.

The Contractor is obliged to have a functional environmental management system corresponding to the EN ISO 14001:2004 requirements or equivalent standard/guideline, which shall be demonstrated on the SE request during the effective period of the Contract by:

a) Valid certificate issued by an accredited certification company, or

b) Documented description of its environmental management system.

18.3 Management systems audits

SE shall be entitled to carry out the management systems audits pursuant to the clause 12.12.12, 18.1 and/or 18.2 herein at the Contractor during the effective period of the Contract.

In such case, the Contractor is obliged to enable to carry out the management systems audits pursuant to clause 12.12.12, 18.1 and/or 18.2 herein to the technically competent SE staff or technically competent staff of another organization on behalf of SE.

18.4 If the Contractor is a natural person performing the subject matter of the Contract in person, he/she shall not be obliged to have the management system during the Contract performance.

XIX. LABOUR LAW AND OCCUPATIONAL HEALTH AND SAFETY (OHS)

In addition to art. 18. "LABOUR LAW, HEALTH AND SAFETY AT WORK OBLIGATIONS" of the General Part:

Provisions of this article shall apply only in case the Contractor enters the SE premises.

19.1 Contractor's obligations regarding OHS

19.1.1 Notwithstanding the provisions of the art. 18.3. „The CONTRACTOR'S obligations concerning health and safety at work" of the General Part, the provisions of the clause 18.3.1 in the first, sixth, ninth, tenth and eleventh bullet and the provisions of the first and second under-bullet of the eighth bullet shall not apply. The provisions of the first, sixth and eleventh bullet shall apply in the following modified wording:

- identify among its personnel, a person responsible for supervising the entire work activity and ensuring the implementation of directives received, checking the correct execution by workers (hereinafter referred to as Head of Works);
- comply with all applicable laws relating to the fire protection, safety, hygiene and the health of workers;
- notify by the 15th of each month, the number of hours worked (ordinary and extraordinary) pursuant to the Contract in the previous month, specifying separately the hours worked by self-employed workers, if any (unless a Logbook is kept)."

19.1.2 Prior to entering the SE premises, the Contractor shall take over the workplace from SE (Contract Manager on behalf of SE in cooperation with the object administrator), recording the OHS status in

the Logbook.

19.1.3When preparing and performing the subject matter of the Contract, the Contractor undertakes to comply with any and all regulations in order to ensure OHS and fire protection (hereinafter referred to as "**FP**"), set out in legal regulations and technical standards valid in the territory of the SR and to comply with the agreed work procedures and technological discipline. The Contractor is obliged to determine and is liable for implementation of safe working and technological procedures, organization of contractual performances, identification and spatial delimitation of the workplace, for safe condition of workplaces, premises, communications and social spaces taken over from SE in writing.

19.1.4The Contractor shall be held responsible for the safe condition of the utilized mechanisms, machinery, devices, tools, equipment, materials. The Contractor is obliged to operate and to keep these facilities in such technical condition and to behave in the SE premises so as to prevent losses. In the event of finding deficiencies at the Contractor's technical facilities, SE shall be entitled to suspend operation thereof or to order removal thereof from their premises. Any delay in Performance shall not be deemed a delay caused by SE.

19.1.5When carrying out activities with increased fire risk, the Contractor is obliged to establish the fire assistance patrol at its own cost and to equip the workers carrying out the aforementioned activity with an orange warning waistcoat with inscription "Fire Assistance Patrol" in conformity with the standard EN ISO 14116 or EN ISO 11612.

19.1.6The Contractor is obliged to respect an order to suspend the contractual performance issued by the SE's Contract Manager, or a person authorized by them, safety technician or fire protection technician due to a threat to operation, health and life of persons, or due to a threat to property, until further notice. The SE's Contract Manager issuing such order is obliged to make an entry in the Logbook thereon. If the SE's Contract Manager issues an order to suspend the contractual performance due to reasons on the Contractor's part, any resulting delay to the Performance shall not be considered as delay caused by SE.

19.1.7The Contractor's personnel is obliged to observe the designated entrances and exits, to remain within the workplace connected with execution of the contractual Performance, and to keep the workplace and other utilized SE premises clean and tidy during the whole execution of the Performance. The Contractor shall ensure continuous removal of wastes. Upon completion of the contractual Performance, the Contractor is obliged to hand the workplace over in clean and flawless condition. The Contractor and SE shall make a record of the workplace hand over, also containing the documents confirming the removal from SE's premises of waste resulting from the Contractor's own activity, or the disposal of such waste.

19.1.8The Contractor is responsible for professional and medical capability and sufficient training in OHS and FP of its personnel, incuding also self-employed workers and the personnel of subcontractors; is obliged to conduct and manage the Performance so as to prevent injury of the SE personnel, own personnel as well as third party personnel and to prevent damage to property and environment. The Contractor's personnel is prohibited to execute the Performance under the influence of alcohol or narcotics and psychotropic substances, to remain on SE's premises under the influence of alcohol or narcotics and psychotropic substances as well as to use alcohol or narcotics and psychotropic substances at the workplace.

19.1.9The Contractor shall equip its personnel with necessary personal protective equipment (hereinafter referred to as "**PPE**") and ensure utilization thereof. The Contractor shall ensure labelling of working clothes of its personnel with the Contractor's or Subcontractor's name, so that the identification is clear and permanent.

19.1.10 The Contractor shall provide for the activities of a safety coordination representative during the execution of the Contract, pursuant to the Regulation of the Government of the SR No. 396/2006 Coll. on the minimum safety and health requirements for construction sites as amended.

19.1.11 The Contractor is obliged to ensure the workplaces taken over by protocol have safety signage conforming to the Regulation of the Government of the SR No. 387/2006 Coll. on the requirements for ensuring safety and health signs at work and the Regulation of the Government of the SR No. 396/2006 Coll. on the minimum safety and health requirements for construction sites and in the Indicative list included at the end of this document.

19.1.12 The Contractor is obliged to fulfil the obligations connected with occurrence of extraordinary events (accidents, fire, emergencies, near miss, first aid, etc.) in relation to the competent public authorities and to report to them, as well as to SE, the occurrence of all events immediately (within 30 minutes) for the purposes of objective investigation and the adoption of preventive measures. The Contractor is obliged to notify SE of any injury occurring during execution of activities under the Contract, whatever the

accident's outcome, and subsequently to provide SE with information including a detailed description of the event.

19.1.13 In the event of an accident, if the affected worker could not be tested for alcohol, the Contractor is obliged to carry out such test at the earliest opportunity. A record of the test shall be immediately submitted to SE.

19.1.14 In case of fire and its subsequent extinguishing by the fire units using their fire extinguishers, if the fire started by the Contractor's fault, the Contractor undertakes to pay the costs connected with the extinguishing of the fire.

19.1.15 The Contractor is obliged to label all containers holding flammable substances, heavy heating oils, vegetable and animal fats and oils in accordance with the Decree of the Ministry of Interior of the SR No. 96/2004 Coll., regulating the principles of fire safety in handling and storage of flammable liquids, heavy heating oils and of vegetable and animal fats and oils and the containers with flammable gases and combustion supporting gases pursuant to the Decree of the Ministry of Interior of the SR No. 124/2000 Coll. regulating the principles of fire safety in operations with flammable gases and combustion supporting gases found in the Contractor's workplace.

19.1.16 The Contractor is obliged, according to the character of contractual performances, to process and submit to SE safe working procedures, OHS plan and risk analysis for the working activities performed.

19.1.17 The Contractor is obliged to inform SE in advance on any changes in the technology of the Performance execution and on changes in the documentation referred to in the previous clause and in the clause 9.4.5 herein.

19.1.18 The Contractor is obliged not to use any materials and articles containing asbestos in the course of works under this Contract. If asbestos is found in the assigned work area or if there are grounds to suspect its presence, the Contractor shall be obliged to stop work and notify the competent supervisor, so as to ensure proper management of the situation. All subsequent activities relating to the situation shall be carried out in accordance with Regulation No. 253/2006 Coll. as amended.

19.1.19 **Additional provisions referring to the SE plants**

The Contractor is obliged to ensure that its personnel remain only in the designated workplace and related premises.

The Contractor shall equip its personnel with necessary PPE and provide for utilization thereof. The minimum equipment of the personnel with PPE contains (i) protective helmet with fixing strap pursuant to EN 397, (ii) protective glasses pursuant to EN 166, EN 170, (iii) safety shoes pursuant to STN EN ISO 20345 in version at least S3, or S1P and (iv) working clothes (on construction site equipped with reflex components, or also a reflex waistcoat), in technological areas in antistatic version complying with the requirements of EN 1149-5. If it is necessary to comply with requirements for other prescribed PPE in order to perform the working activities, the Contractor shall provide for assignment and utilization thereof beyond the minimum requirements of SE. The obligation to use the minimum PPE applies for technological areas and construction sites of SE. Protective glasses for the personnel working in the controlled area of nuclear plant shall be provided by SE. The Contractor is obliged to equip workers carrying out the activity of "load binder" with an orange warning waistcoat with inscription "Load Binder" and with sleeve for helmet with inscription "Load Binder".

If necessary, SE shall provide for calling the emergency services to the personnel affected by an accident.

Unless agreed otherwise in the Contract, the Contractor shall ensure, at its own cost, safety and fire protection measures in activities containing increased danger of fire in the places with fire or explosion risk, performed by the Contractor. SE shall report these places to the Contractor when handing over the workplace.

19.2 **Sanctions for breaching the OHS rules**

Notwithstanding the provisions of the art. 18.2. "Sanctions for violations of the rules regarding the protection of health and safety at work" of the General Part, the provision of the last sentence in the second section of clause 18.2.1, and the provisions of the third and the last section in clause 18.2.1 shall not apply.

19.2.1For breach of the OHS legal regulations and rules by a Contractor's personnel, SE may claim from the Contractor to ensure additional special OHS trainings for the said personnel.

19.3 **The Contractor's obligations regarding provision of OHS for Subcontractors**

19.3.1 Notwithstanding the provisions of the art. 18.4. "The CONTRACTOR'S obligations concerning Subcontracting activities" of the General Part, in the provision of the clause 18.4.5, the position to be appointed by the Subcontractor shall be "Head of Works".

XX. INSURANCE

20.1 Notwithstanding the provisions of the art. 20. "INSURANCE" of the General Part, the provision of the first and third sentence of the clause 20.2 shall not apply.

In addition to art. 20. "INSURANCE" of the General Part:

20.2 Contractor's insurance contract shall be valid for the entire duration of the Contract, concluded in the scope and with the limit that sufficiently covers all damage that the Contractor may cause by its activity. In the case that the Contractor provides warranty on the Performance, the insurance contract shall be valid in the above range during the warranty period too.

20.3 In the event the Contract subject matter is to execute the Performance related to SE's assets and in order to meet this purpose the Contractor takes over and relocates SE's assets outside the SE's premises, the Contractor must have a liability-for-damage insurance policy able to cover the new value of the relocated assets belonging to SE.

Assets may be relocated only with the consent of SE in writing, given either in the form of an entry in a Logbook signed by the SE's Contract Manager or a record on takeover or in the form of any other record on handover and takeover of SE's assets for the purpose of relocation outside SE's premises.

XXI. INDUSTRIAL AND INTELLECTUAL PROPERTY

In addition to art. 21. "INDUSTRIAL AND INTELLECTUAL PROPERTY" of the General Part:

21.1 The Parties take note that, under Section 558 et seq. Commercial Code, if the subject of Performance is a result of activity that is protected by law of industrial or intellectual property (hereinafter referred to as the "**author's work**"), SE are entitled to use it for the purposes resulting from the Contract in the manners necessary for the proper use of the Performance, in particular for the use according to Section 18 of Act No. 618/2003 Coll. on copyright and copyright-related rights as amended (hereinafter referred to as the "**Copyright Act**"), for the duration of property rights of the author under Section 21 of the Copyright Act. The remuneration for the use of author's work pursuant to this clause is included in the Price.

21.2 The Parties have agreed that if the author's work is to be used also in a different manner than the manner specified in the preceding clause, the Contractor as the author shall conclude a licence agreement with SE as the licensee, in accordance with the provisions of Section 40 of the Copyright Act, without undue delay but **not later than 15 days** from notice by SE, the subject matter of which shall be the granting of consent to exercise property rights constituting copyright over the author's work, and based on which the Contractor shall grant to SE an **exclusive licence** and a right to provide sub-licence for the period of existence of the author's rights in property pursuant to the Section 21 of the Copyright Act, based on which SE will be entitled to utilize the author's work mainly in the ways specified in Section 18 (2) of the Copyright Act. The remuneration for licensing pursuant to this clause has been included in the Price.

21.3 If during the execution of the Performance the Contractor creates the work meeting the definition of

a) a patentable invention in compliance with respective provisions of the Act No. 435/2001 Coll. on Patents and Supplementary Protection Certificates as amended and requests for awarding a patent for the work, or

b) a technical solution protected by an utility model in compliance with respective provisions of the Act No. 517/2007 Coll. on Utility Models as amended and requests for protection of the work by an utility model, or

c) design in compliance with respective provisions of the Act No. 444/2002 Coll. on Design as amended and requests for registration of the work as design, or

d) other subject matter of industrial property

(hereinafter jointly referred to as "**Subject matter of Industrial Property**"),

the Contractor as the provider undertakes to conclude a licence agreement with SE as the licensee without undue delay but no later than **within 15 days** from acquisition of the right to the Subject matter of Industrial Property in compliance with Section 508 et seq. of the Commercial Code, the subject of which is the granting of consent to use the work protected as the Subject matter of Industrial Property (hereinafter referred to as "**Licence**"). The Contractor undertakes to grant an exclusive and territorially unlimited Licence to SE for its performance in the extent of the entire activity of SE, for the duration of validity of the right to the Subject matter of Industrial Property. The remuneration for granting the Licence according to this clause is included in the Price.

21.4 The Contractor undertakes to settle all legal relations with third parties that created or supplied the Performance content, namely by concluding relevant copyright and other contracts so that such parties cannot make any claims resulting from the moral, copyright, industrial rights, rights related to the copyright or other similar rights related to the due performance of the Contractor's obligations to SE resulting from the Contract. In the event of the cancellation of a Contractor without a legal successor, the Contractor shall, before its cancellation, provide SE with source data related to the created work or to Subject matter of Industrial Property.

XXII. CONFIDENTIALITY OF INFORMATION

In addition to art. 22. "CONFIDENTIALITY" of the General Part:

22.1 The Contractor undertakes to treat any data, information or documents received in relation to the selection procedure, conclusion and/or performance of the Contract as information being confidential in nature (while information of confidential nature include a trade secret, confidential information of financial nature, sensitive information about critical infrastructure, etc.), which cannot be disclosed to third parties or used contrary to the purpose thereof for its needs without SE's prior written consent. The Contractor undertakes also to keep secret information of a confidential nature even after the expiry of the Contract. The limitations stated in this clause shall not apply to the disclosure of confidential information to dependent persons of SE according to the Act on income tax, i.e. to persons close economically, personally or otherwise connected with SE (hereinafter referred to as "**SE's interrelated company**") and the Party's consultants (e.g. auditors, attorneys) provided that SE's interrelated company and the aforesaid consultants are bound by a non-disclosure duty of at least the same extent as set forth in this clause. The Parties shall also note that providing confidential information upon the request of a public authority or another governmental body, and the case of imposing such provision of confidential information by a generally binding legal regulation shall not be considered a breach of the provisions of this clause.

Information handed over on the basis of and in connection with the Contract shall be subject to the terms and conditions of the Contract for the period of **5 years** from the Contract validity expiry day. If required so by either Party, they undertake to immediately enter into negotiations regarding the extension of the duty of the Parties to maintain confidentiality of the "confidential" information handed over on the basis of the Contract; if they agree on the up-to-datedness of the content of the "confidential" information approved by both Parties, they undertake to enter into an amendment which will extend the duty of the Parties to maintain confidentiality of the "confidential" information handed over on the basis of the Contract beyond the expiry of the agreed period.

In the event of leakage of the facts which have the nature of confidential information or trade secret for reasons for which the Contractor is liable or if the Contractor breaches obligation of this clause, SE may claim from the Contractor the contractual penalty pursuant to clause 15.8 herein.

22.2 Unless otherwise agreed in the Contract, the Contractor shall not be entitled to present SE as its trading partner or use SE trade name or logo in promoting itself or its activity or in statements for the media in any form whatsoever without prior written consent. If the Contractor breaches the obligation laid down in this clause, SE may claim from the Contractor the contractual penalty pursuant to clause 15.8 herein.

XXIII. PERSONAL DATA PROTECTION

In addition to art. 23. "PROCESSING OF PERSONAL DATA" of the General Part:

23.1 The Contractor undertakes that if the Contractor comes into contact with SE personal data in performing the Contract, the Contractor undertakes to keep this information confidential and comply with the

requirements of applicable legislation, in particular with the Act No. 122/2013 on Personal Data Protection as amended. The duty of confidentiality remains in force even after the expiry of the Contract.

XXIV. ENVIRONMENTAL PROTECTION

In addition to art. 24. "PROTECTION OF THE ENVIRONMENT" of the General Part:

24.1 In preparation and implementation of the subject matter of the Contract, the Contractor undertakes to comply with any and all environmental protection regulations set out in legal regulations and technical standards valid in the territory of the SR.

24.2 The Contractor is obliged to operate and maintain the utilized mechanisms, machinery, devices, tools, equipment and materials, as well as the warehouses and workshops in such technical conditions and to conduct on the SE premises so as to prevent damage to the environment.

24.3 The Contractor is obliged to respect an order to suspend the performance of Contract issued by the SE's Contract Manager due to a danger to environment, until further notice. The SE's Contract Manager issuing such order is obliged to make an entry in the Logbook thereon. If the SE's Contract Manager issues an order to suspend the performance of Contract due to reasons on the Contractor's part, any resulting delay in the Performance shall not be considered as delay caused by SE.

24.4 The Contractor is obliged to fulfil obligations related to occurrence of extraordinary events with effect on the environment, in relation to the competent public authorities and to immediately report such event also to SE for the purpose of objective investigation and adoption of preventive measures.

24.5 In case of occurrence of threat to the environment on the Contractor's part, the Contractor is obliged to eliminate the cause and consequences as well as to pay the any applicable financial compensation for damages.

24.6 **Handling Chemical Substances and Chemical Mixtures**

24.6.1 The Contractor is obliged to handle the CS and CM in accordance with the Chemicals Act No. 128/2015 Coll. on Prevention of Major Industrial Accidents as amended, Regulation (EC) No. 1907/2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) and the Regulation (EC) No. 1272/2012 on Classification, Labelling and Packaging of substances and compounds (CLP).

(i) Sufficiently in advance before starting the performance of the subject matter of the Contract (min. 14 days before the start of Performance), the Contractor is obliged to submit to the SE's Contract Manager the list of CS and CM to be used in its activity on the SE premises under this Contract. Along with the used CS and CM, the Contractor is obliged to submit the Safety Data Sheet ("**SDS**"), the presence of which must also be ensured at the Contractor's workplace and to indicate on request the pre-registration or registration numbers of CS and CM in compliance with the REACH regulation. The SDS must be in the Slovak language. At SE's request, the Contractor is also obliged to submit the technical certificate of the CS and CM, user manual and technological process for working with the respective CS and CM.

(ii) The Contractor may only use the CS and CM found in the list of CS and CM approved to be used in SE. The list of CS and CM approved to be used in SE shall be provided on request to the Contractor by the SE's Contract Manager. The Contractor is entitled to ask for approval and addition of the used CS and CM in the aforementioned list only through the SE's technical supervisor or the SE's Contract Manager, who shall further follow the internal managing regulation for management of chemicals. For this purpose, the Contractor is obliged, in addition to the SDS, to provide SE also with further additional data in order to document the selected critical CS and CM parameters.

(iii) SE is entitled not to approve utilization of the Contractor's CS and CM, if there is a suitable equivalent or if there is a risk of environmental danger in usage or problems may occur in liquidation thereof.

(iv) The packages of all CS and CM used by the Contractor must be labelled with warning symbols and description labels in the Slovak language in compliance with valid legislation.

(v) Should the Contractor use CS and CM other than agreed or the packaging thereof does not contain warning symbols and description labels, SE is entitled to suspend or completely stop

the Contractor's contractual performance.

(vi) The Contractor is obliged to provide information about the amounts of the CS and CM stored with prescribed periodicity (min. on a monthly basis), in the form set out by SE.

24.6.2 In connection with the Performance execution, the Contractor is obliged to enable the qualified SE personnel (Environment Department) to inspect the handling of CS and CM in order to verify correctness of the procedures used.

24.7 **Waste Management**

24.7.1 The Contractor is obliged and undertakes to manage the waste in compliance with the applicable Act on Wastes, especially:

(i) To prevent or reduce adverse impact of the waste production and waste management within the waste hierarchy;

(ii) In the performance of contracting activity related to waste generation, to follow the instructions of the competent SE technical supervisor in compliance with the internal regulations applicable for wastes in the respective SE plant;

(iii) To collect waste sorted out according to the waste types and secure it against degradation, theft or other undesired leakage, whereas the locations for waste collection shall be assigned to the Contractor by SE (competent SE technical supervisor);

(iv) To collect the hazardous waste separately by types, to label them as prescribed (name of waste, graphic symbol of hazardous properties and waste identification sheet), to protect the place of collection of hazardous waste against leakage of pollutants into the soil, water and air;

(v) If the subject matter of the Contract also contains the Contractor's commitment to recover or dispose of the waste, submit to the SE's Contract Manager a copy of own authorization to recover or dispose of the waste or a copy of the authorization of an organization which will carry out this activity on behalf of the Contractor, well in advance (at least 5 working days) before the start of Performance;

If the Contractor is to ensure processing and recycling of used batteries and accumulators, recovery or disposal of waste oils, processing of waste from electric and electronic devices, to submit authorization for the performance of this activity (so-called authorization granted by the Ministry of Environment of the SR);

In case of handling hazardous waste or transport of hazardous waste from SE to the Contractor's place of recovery or disposal, to submit a copy of valid authorization for handling or transporting hazardous waste;

Well in advance (at least 5 working days) before expiry of the validity of authorizations, consents or decisions referred to in this letter, to submit to the SE's Contract Manager the copies of newly issued documents from the relevant waste management state authorities during the whole period of the contractual relation;

(vi) If the Contractor ensures recovery or disposal of the waste for SE pursuant to the preceding paragraph (v) of this clause, the Contractor is obliged to submit to SE within 10 days after the end of each calendar year of Contract Performance execution, and within 10 days after completion of Performance, the following documents and information: type and catalogue number of waste, waste amount, date of waste transport from the SE plant site, the code of waste disposal/recovery, weight sheets, copies of the hazardous waste cover letters and a statement of the name of the final company performing recovery/disposal of waste;

(vii) In relation to the Performance, to enable the qualified SE personnel (SE Environment Department and SE Technical Supervision) to inspect the waste disposal in order to check the procedures used.

24.8 **Handling of hazardous substances, substances depleting the Earth's ozone layer and fluorinated greenhouse gases**

24.8.1 In its activity, the Contractor is obliged to handle the hazardous substances (oil substances, chemicals, etc.) in accordance with the Act No. 364/2004 Coll. on Waters as amended, so as to prevent endangering and polluting waters, to prevent extraordinary deterioration or endangering of water quality and in cases when the Contractor's activity causes pollution of the surface or underground waters, to report this

situation to SE without undue delay and to perform measures necessary to prevent further deterioration of the water quality.

24.8.2 In its activities, the Contractor is obliged to handle

(i) The substances depleting the ozone layer in compliance with the Act No. 321/2012 Coll. on Earth's ozone layer protection and amending certain laws as amended, and the Regulation (EC) No. 1005/2009 on Substances that Deplete the Ozone Layer,

(ii) The fluorinated greenhouse gases in compliance with the Act No. 286/2009 Coll. On fluorinated greenhouse gases and amending certain laws as amended.

24.8.3 Organic solvents may be used by the Contractor only in compliance with requirements of the Decree of the Ministry of Environment of the SR No. 410/2012 Coll., executing some of the provisions of the Act on Air as amended,

24.8.4 In case of transporting the SE's assets containing hazardous substances, which is subject to Performance, the Contractor undertakes to comply with the provisions of the European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR) (Decree of the Ministry of Foreign Affairs No. 64/1987 Coll.) as amended and the Act No. 56/2012 Coll. on Road Transport as amended.

24.8.5 The Contractor is obliged to store hazardous substances in the premises designated for such purpose by SE, or in its own premises, created for such purpose, as a part of the construction site premises, with prior consent from SE.

XXV. VENDOR RATING

In addition to art. 25. "VENDOR RATING" of the General Part:

25.1 Evaluation of suppliers is carried out depending on the type of performance, i.e. the merchandise group and contract value, always after the contract period termination. In case of a contract concluded for a period of time longer than one year, the contract performance shall also be evaluated continuously, at semi-annual intervals.

25.2 Depending on the IVR (Index Vendor Rating) value, the Contractor is assigned an evaluation mark, on the basis of which, the following measures towards the Contractor may be taken:

VR	Evaluation mark	Follow-up activities
100	Satisfactory	
80	Satisfactory with reservations	Requesting the Contractor to perform remedies in order to improve the performance.
60	Unsatisfactory	Option to include the Contractor in the List of SE excluded suppliers.

25.3 The evaluation results are available on the SE portal for Contractors, MyHome.

XXVI. LIST OF SE SUPPLIERS

26.1 The Contractor takes note that upon the Contract signing they will be included in the internal list of SE suppliers (hereinafter referred to as the "**List of SE suppliers**").

26.2 The Contractor may be suspended from the List of SE suppliers or excluded from the List of SE suppliers and included in the list of SE excluded suppliers (hereinafter referred to as "**List of SE excluded suppliers**").

26.3 The rules governing the suspension and exclusion of a Contractor from the List of SE suppliers and its inclusion in the List of SE excluded suppliers are published on the web site http://www.seas.sk/procurement.

XXVII. RULES OF ETHICAL CONDUCT

In addition to art. 27. “ETHICAL CONDUCT RULES” of the General Part:

27.1 The Contractor is aware of the fact that the business activities and internal activities of Slovenské elektrárne, a.s., as a member of the Enel Group, follow and are subject to principles stipulated in the SE, a. s. Code of Ethics and in the Zero Tolerance of Corruption Plan, wording of which is published at web site http://www.seas.sk/company (hereinafter referred to as the “**Principles**”). The Contractor shall apply equivalent principles in conducting its business activities and in the management of its relationships with third parties.

XXVIII. APPLICABLE LEGAL REGULATIONS

In addition to art. 28. “APPLICABLE LAW” of the General Part:

28.1 The Contract and relations resulting from the Contract or related to the Contract were concluded in compliance with the provisions of the Commercial Code and other generally binding legal regulations applicable in the Slovak Republic with exclusion of application of the UN Convention on International Purchase of Goods. Unless otherwise provided for by the Contract, the mutual relationships of the Parties arising from the Contract and not explicitly regulated therein shall be governed by the relevant provisions of the Commercial Code and by other generally binding legal regulations of the Slovak law.

XXIX. DISPUTES

In addition to art. 29. “JURISDICTION” of the General Part:

29.1 The Contractor hereby declares that, as of the date of entering the Contract, it is not a party to any litigation or arbitration proceedings against SE.

29.2 All disputes arising from the Contract, including the disputes concerning its validity, interpretation or cancellation, shall be settled before the Court of Arbitration of the Slovak Bar Association in Bratislava, which is established by the Slovak Bar Association, with registered seat Kolárska 4, 813 42 Bratislava, Company Registration Number: 30 795 141. The disputes shall be resolved in conformity with its fundamental internal regulations. The Parties will respect the court’s decision. Its decision will be binding upon the Parties and unchangeable.

INDICATIVE LIST OF SEVERE, VERY SEVERE AND EXTREMELY SEVERE BREACHES OF OCCUPATIONAL SAFETY

in addition to the List included in the clause 18.2.1 of the General Part

Category	Breach	
General provisions	Failure to appoint/identify the Head of Works at the workplace. *Note 1*	
	Utilization of tools, equipment, machines and chemical substances, the usage of which has not been approved by SE or is not compliant with the technical standards and legislative requirements.	
	Failure to use temporary equipment and fencing on construction site and insufficient maintenance thereof.	
	Insufficient or missing documentation necessary for inspections in OHS and Fire Protection areas which is determined by SE or by legislation.	
	Deficiencies in arrangements for work at the open reactor and foreign material exclusion (FME).	
	Presence of a person under the influence of alcohol or other narcotics and psychotropic substances at the workplace in the premises of SE and bringing such substances to the SE premises. *Note 2*	
	Failure to respect the safety and health labelling, instructions and prohibitions.	
	Failure to keep order and cleanness in the workplace and other premises of SE that are utilized.	
	Utilization of working equipment, the technical condition or version whereof does not comply with the safety regulations.	
Electrical work	In case of works at live electric equipment, the use of equipment owned by the Contractor that is uncontrolled and unrevised (by the persons responsible for the area in question).	
	In case of works with live electric equipment, insufficient checking (by the persons responsible for the area in question) of tools owned by the Contractor and non-existence of valid certificates.	
	Insufficient earthing and protection of manual tools used at the workplace.	
Chemical hazard	***Carcinogen – Mutagen – Toxic substance***	
	Deficiencies and breaches of rules regarding works with the risk of exposure to dust from asbestos or from materials containing asbestos.	
Risk of fire / explosion	Deficiencies and breaches of rules regarding fire safety (legal regulations and SE internal regulations with which the Contractor has been familiarized).	

KEY

Extremely severe breach

Very severe breach

Severe breach

Note 1: This breach shall replace the 4th breach in the List included in Clause 18.2.1 of the General Part.

Note 2: This breach shall replace the 7th breach in the List included in Clause 18.2.1 of the General Part.