

# GENERAL PURCHASE TERMS AND CONDITIONS OF THE COMPANY BOHEMIA PROPERTIES A.S.

## 1. SCOPE, ORDERS, KEY DEFINITIONS

- 1.1. These general purchase terms and conditions ("**GPC**") apply to the purchase of (i) any goods and materials including, but not limited to, products, parts or components specially developed or customized to the customer's request, and other goods delivered as a result of services ("**Goods**") and (ii) any services ("**Services**") by the company **Bohemia Properties a.s.**, ID: 625 25 204, based: Prague 9, Teplicka 492, zip code 190 00, registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, file 10488 ("**BP**") ordering Goods or Services from a Contractor of such Goods and Services ("**Contractor**").
- 1.2. These GPC apply to all current and future business relationships regarding the purchase of Goods and Services by BP, even if not explicitly stated. The Contractor's standard terms and conditions do not apply unless BP expresses its written consent to them. GPC shall also apply if BP, aware of conflicting or different conditions of the Contractor, accepts the Goods or Services without reservation.
- 1.3. "**Order**" means a request (in any form) to the Contractor for the delivery of Goods or Services, and any drawings, specifications and other attachments thereto, which are always assumed to include GPC. GPC complements the Order; in the event of a conflict between the Order and the GPC, the terms of the Order shall prevail.
- 1.4. If the Order is not accepted by the Contractor within 14 days of receipt or within another period specified in the Order ("**Acceptance Period**"), the Order shall be deemed cancelled. Until the Order is confirmed in writing by the Contractor, BP is not bound by this Order and may cancel, modify or change it at any time.
- 1.5. Any (i) Order confirmed by the Contractor without reservations or modifications during the Acceptance Period, (ii) Order confirmed by the Contractor subject to reservations or modifications or confirmed so that confirmations have been received by BP after the Acceptance Period but approved by BP (in any form), or (iii) other agreement between the Contractor and BP relating to these GPC, represent an "**Contract**". Any specifications of the Goods and / or Services contained or incorporated into the Contract by reference, or any other specifications agreed in writing between BP and the Contractor from time to time are referred to as the "**Specifications**".
- 1.6. If the term "in writing" is included in these GPC, this also includes communication by mail or fax.

## 2. DELIVERY OF GOODS AND PROVISION OF SERVICES

- 2.1. Time is essential for the Contractor's performance of the Contract. Notwithstanding any other rights that may arise for BP under the Contract, or for any other legal reason, the Contractor shall promptly inform BP in writing if circumstances have occurred that indicate that the time limit for delivery of the Goods or performance of the Services will not be met.
- 2.2. The Contractor shall deliver the Goods and perform the Services during normal working hours (which are customary at the place of delivery / execution) in accordance with the schedule specified in the Contract ("**Delivery time**"). If no delivery time has been set, the Contractor must deliver the Goods and perform the Services as soon as reasonably possible and must notify BP of the delivery time in writing reasonably in advance. Unless agreed otherwise in the Contract, the Contractor must deliver the Goods in accordance with Incoterms 2010 "DDP" and the Contract to the destination specified in the Order or Contract ("**Place of acceptance**").
- 2.3. If the Contractor fails to deliver the Goods or does not perform the Service by the Delivery time or, if no Delivery time has been set, within a reasonable period designated by BP, BP may require payment of a contractual penalty of 1 % of the total price of the Goods or Services, and further, BP may, regardless of other rights or claims that may arise for BP under the Contract or for other legal reasons, and without obligations to the Contractor, may terminate the Contract by giving written notice to the Contractor. In such a case, BP may claim a refund of the purchase price if it has already been paid and claim compensation for all costs, expenses, damages and other losses suffered as a result of the Contractor's failure. In addition, with respect to the Services, BP shall have the rights set forth in paragraph 8.3.
- 2.4. With each delivery of the Goods, the Contractor is responsible for ensuring that all legislation and regulations relating to the transport and delivery of such Goods are consistently adhered to.
- 2.5. Each delivery of Goods shall include documents containing at least the following information and any other information requested by BP: order number, description of the Goods, name of Contractor, unit of measurement indicating the volume, quantity or number, and destination of delivery of the Goods.

- 2.6. All Goods must be packed (i) securely to prevent damage to them during loading, transport and unloading, and (ii) in accordance with the packaging specifications as may be provided by BP to the Contractor.
  - 2.7. In addition, the Contractor shall:
    - 2.7.1. Provide BP upon request with documents of origin, declarations, documents and data related to business requirements, and inform BP, if requested, in detail and in writing of any possible export restrictions or approval obligations in the country of origin of the Goods or Services or their destination;
    - 2.7.2. Provide all details relating to any immediate or long-term potential risks or threats associated with the Goods, including but not limited to toxicity, flammability, harmful effects caused by inhalation or direct contact, whether caused by direct or indirect use of the Goods;
    - 2.7.3. Provide all details relating to the most appropriate security measures to be taken in connection with the use and handling of the Goods; and
    - 2.7.4. Mark suitably and clearly all packaging and containers that contain dangerous, toxic or otherwise harmful Goods to protect persons handling or exposed to the Goods.
  - 2.8. Partial deliveries of Goods or early deliveries are possible only with the prior written consent of BP. In the event of delivery of the delivery earlier than agreed, BP reserves the right to return the delivery at the Contractor's expense. If BP does not return an early delivery, the Goods may be stored at the Contractor's expense and risk until the date of delivery.
  - 2.9. If, for any reason, BP is unable to accept delivery of the Goods within the time specified in the Contract, the Contractor shall, at the request of BP, store and maintain the Goods in a condition suitable for trade. If agreed in writing in advance, BP shall reimburse the Contractor for reasonable storage costs.
  - 2.10. The Contractor shall perform the Services at the agreed locations within the Delivery Time as specified in the Specifications and in a quality consistent with good industrial practice and standards. The Contractor shall document the execution of the Services and provide these documents to BP upon request or upon completion of the Services, but at the latest together with the Contractor's invoice. If it is necessary to achieve a specific item of delivery or a specific result using the Services, the provisions of these GPC relating to the Goods shall apply mutatis mutandis.
  - 2.11. The Contractor shall ensure that its Service personnel are not considered to have entered or have the right to enter into employment with BP or with a BP customer, even when working on BP or BP customer premises. In case of breach of this provision, the Contractor shall indemnify BP for any related costs, expenses, damages or other losses.
  - 2.12. If the Contractor must operate on land owned or operated by BP or on behalf of BP, the Contractor shall, at its own expense, comply with all security measures and procedures in place. These include, but are not limited to, the use of appropriate personal protective equipment, participation in local safety training, removal of all garbage and debris, surplus material and temporary structures, and the obligation to leave the work area tidy. The Contractor bears the risk of loss and damage to any material used or to be used until completion of the Contract.
- 3. TRANSFER OF OWNERSHIP AND RISKS**
- 3.1. Unless otherwise agreed between the agreement parties, the risk of loss and damage shall pass to BP upon receipt of the Goods at the Place of acceptance. If an acceptance procedure has been agreed to or is required (as defined in paragraph 6.3), the date of final approval by BP will be decisive for the transfer of risk.
  - 3.2. Ownership of all relevant portions of the Goods shall pass to BP (i) upon payment of such Goods or any portion thereof; or (ii) on delivery of such Goods to the agreed Place of Acceptance, whichever is the earlier. If ownership of all or some parts of the Goods has been transferred to BP, but the Goods remain in the Contractor's possession, the Contractor shall clearly identify such Goods as BP's assets and store them separately from other goods.
- 4. PRICE AND PAYMENT**
- 4.1. The price (s) for the Goods and / or Services must be set out in the Contract and remain unchanged for the duration of the Contract.
  - 4.2. Unless otherwise specified in the Contract, the price applicable to the Goods and / or Services:
    - 4.2.1. does not include value-added tax ("VAT") or other business tax; and
    - 4.2.2. includes all charges for packaging, packaging, transportation, insurance and delivery of goods, all travel expenses, meals, beverages and accommodation and other costs associated with the Services, and all charges, licenses, permits and taxes (other than VAT or other business taxes) that may be applied to the Goods and / or Services from time to time.

- 4.3. If the Contract provides that any Goods or Service is subject to VAT or other business tax, BP shall pay that tax only if it receives a valid VAT or other business tax invoice.
- 4.4. Unless otherwise specified in the Contract, and provided the Contractor has fulfilled all of its obligations under the Contract, BP shall pay for the Goods and / or Services within 5 business days after the end of the month following the month in which BP received a properly processed and accurate Contractor invoice, attached to which is a document certifying the delivery of goods or services to BP, certified by an authorized BP representative. The Contractor may not issue an invoice until the Goods have been delivered to BP or the relevant Services have been performed. Invoices must always include the official Order number and comply with all other specifications required by BP and legal regulations.
- 4.5. BP may withhold payment of any contradictory or insufficiently documented amount contained in any invoice. Furthermore, BP may set off any amount owed to BP by the Contractor against any amount owed to the Contractor by BP, or recover such amounts as debts.
- 4.6. Payment of an invoice by BP shall not constitute an unconditional acceptance of the Goods and / or Services to which the invoice relates and shall not affect any and all claims that BP may have against the Contractor in connection with this Contract.
- 4.7. The Contractor declares, that (i) he is not led by the tax administrator as an unreliable payer within the meaning of Section 106a of the Value Added Tax Act and (ii) the account specified by the tax administrator for receiving payments by wire transfer is published in a manner allowing remote access; in the event of any change in this condition, the Contractor shall immediately notify BP. In the event of breach of the above obligations or change of status, BP is entitled to (i) claim compensation from the Contractor for the damage caused to it in connection with the occurrence of liability for value added tax (BP is hereby entitled to set off any costs incurred by it in connection with the foregoing, against any Contractor's claims against BP - both due and unpaid), (ii) stop business cooperation immediately (incl. the right to refuse / not complete an order), and (iii) fulfill its obligation to pay to the Contractor part of the taxable supply accounted for (corresponding to value added tax) by paying it to the relevant tax administrator and (iv) withdraw from the Contract. *(this paragraph applies only to VAT payers)*

## **5. QUALITY REQUIREMENTS**

- 5.1. The Contractor shall provide the Goods of the highest quality and in accordance with the Contractor's warranties as defined in paragraph 7.3. The Contractor shall comply with applicable law, good industrial practice and standards and shall develop, manufacture and test the Goods to be delivered in accordance with those requirements and with the requirements of the Contract.
- 5.2. If the Contractor finds that the Goods or Services do not meet the quality and warranty requirements of the Contractor as defined in clause 7.3 and / or if the Contractor has legitimate doubts as to the compliance of the Goods and / or Services with these requirements, the Contractor shall immediately inform BP in writing and recommend the next steps to be taken. The same applies if the Contractor becomes aware of ownership or third party rights that conflict with the unrestricted use of the Goods and / or Services by BP. The receipt and processing of such information does not deprive BP of any and all claims that BP may make against the Contractor due to the consequences of such non-compliance.
- 5.3. BP may review the Goods and / or Services at any time prior to the delivery or completion of the Goods or Services at the Contractor's registered office or at any other location. This review does not relieve the Contractor of its liability or obligations in relation to the Goods and Services and does not include the consent and acceptance of the Goods or Services by BP. BP's right to a pre-delivery review does not deprive BP of the right to reject the Goods upon delivery.
- 5.4. BP may require raw material certificates and documentation of the testing of materials and equipment used in sourcing and manufacturing the Goods. The Contractor must provide these documents to BP within five business days of receiving such a request.

## **6. REVIEW AND TESTING**

- 6.1. The Contractor must deliver all Goods and Services in accordance with the Contract and Specifications. BP may inspect and inspect the Goods prior to delivery or upon receipt. Any obligation of BP under applicable law to review the Goods or Services or to notify the Contractor of any deficiencies during a certain period is hereby excluded to the extent permitted by law. If the obligation to review cannot be excluded, the following measures shall apply: (i) BP is only required to examine the Goods for their identity and quantity, and for obvious damage incurred in transit, and (ii) BP shall inform the Contractor of any such deficiencies within 14 days of delivery of the Goods to the Destination. To fulfill this obligation, it is sufficient that BP provides the Contractor with a short description of the deficiency, damage or defect.
- 6.2. Before delivery of the Goods or performance of the Services and within 30 days of delivery, or any longer period if provided for in paragraph 6.3, and regardless of any other rights or claims for indemnity which

may arise for BP under the Contract or any other legal reason, BP may refuse, in whole or in part, any delivery of Goods or performance of Services if these do not fully conform to the Contract. If certain parts of the Goods or Services do not conform to the Contract, BP may refuse all delivery or performance unless the Contractor can demonstrate that the remainder of such delivery or performance complies with the Contract.

- 6.3. If under the Contract or in certain circumstances BP needs to inspect and approve the Goods or Services for their compliance with the Contract, the Contractor shall request BP to conduct such a test and acceptance upon completion of the Goods or Services ("**Acceptance Procedure**"). The Contractor shall comply with this request in accordance with the information contained in the Contract or, if no information is provided, as soon as practicable. Upon a reasonable request by BP, the Contractor must provide appropriate personnel to participate in the test. BP may reject the Goods or Services in whole or in part unless it is proven by the Contractor that they comply with the requirements of the Contract and / or if they do not meet any of the agreed acceptance criteria. If BP does not accept the Goods or Services in whole or in part, the Contractor shall immediately review the non-compliant parts, rectify these parts and repeat the Acceptance Procedure. Following the failure of the second Acceptance Procedure, BP may, at its discretion, decide whether it wishes to repeat the Acceptance Procedure or request the remedies referred to in paragraph 8. If BP, as a result of operational necessity, partially or wholly uses the Goods or Services, it is not solely from this fact that it has approved and accepted them.

## **7. CONTRACTOR'S WARRANTIES AND OBLIGATIONS**

- 7.1. Notwithstanding any warranties under the Contract or for any legal reason, the Contractor warrants that the Goods and any parts or materials used in the manufacture or performance of any work relating to the Goods will have the following characteristics:
- 7.1.1. the Goods will be suitable for their intended purpose;
  - 7.1.2. the Goods will be suitable for any special purpose as defined by BP to the Contractor;
  - 7.1.3. the Goods will in all respects comply with the Specifications and, where applicable, any samples or drawings; in particular, weights, measures, markings, descriptions, words, particulars, or labels, if applicable, stamped, printed or otherwise affixed to the Goods or container (including any necessary country of origin designations) or relating to the Goods delivered, will be true and correct and will comply with all regulations, ordinances and legislative requirements;
  - 7.1.4. the Goods will be new and unused, from undamaged material and well processed, free of any defects, whether hidden or otherwise;
  - 7.1.5. the Goods shall comply with all applicable international and local laws and regulations relating to the design, manufacture, sale, packaging, labeling, safety standards and use of the Goods in force on the date of delivery;
  - 7.1.6. the Goods shall be accompanied with all information, warnings, instructions and documentation relating to the use, storage, operation, consumption, transport and disposal of the Goods; and
  - 7.1.7. unless agreed otherwise, the Goods conform to the illustrations and warranties set forth in the Contractor's literature and promotional materials.
- 7.2. Among other warranties for BP under the Contract or for other legal reasons, the Contractor warrants that all Services will be performed (i) with highly professional skill, impeccable procedures and good judgment normally expected from recognized professional service providers similar in character to the Contractor, (ii) in full compliance with all applicable legislation; and (iii) so as to ensure that Services performed under the Contract are free from defects in material and workmanship and are fit for the purpose for which they are intended.
- 7.3. Any warranties set forth in this paragraph 7, or arising from the Contract or other legal reasons ("**Contractor's Warranties**") are valid for 24 months after receipt of the Goods at the Destination, BP's approval in accordance with paragraph 6.3, or upon completion of the Services (which occurs later) or for any longer period of time, as determined by applicable law or stipulated in the Contract ("**Warranty Period**").

## **8. CORRECTIVE MEASURES**

- 8.1. If the delivered Goods do not meet the Contractor's Warranties ("**Defective Goods**"), then, regardless of any other rights or remedies to which BP is entitled under the Contract or other legal reasons, BP may, at its option, choose one or more of the following remedies:
- 8.1.1. refuse to accept the delivery;
  - 8.1.2. request the Contractor to repair or replace the Defective Goods in a reasonable time set by BP, but no later than 21 days after receipt of BP's request;

- 8.1.3. do the repair instead of the Contractor or have it repaired by a third party at the expense of the Contractor;
  - 8.1.4. Invite the Contractor to reimburse BP for all costs, expenses, damages and other losses related to repair or replacement, including but not limited to the cost of reviewing and analyzing the defect, installing / removing, using its own or external personnel, representation costs, legal fees or other court costs, accommodation or travel costs;
  - 8.1.5. require compensation from the Contractor for all costs, compensation and other losses incurred by BP in connection with the Defective Goods.
- 8.2. If the Contractor fails to remedy its breach of the Contractor's Warranties with respect to the Defective Goods within the period specified in paragraph 8.1.2, or if the Contractor is unable to repair or replace the Defective Goods or refuses to repair or replace the Defective Goods, measures to which BP is entitled to under the Contract or for other legal reasons, and in addition to the remedies referred to in paragraph 8.1, BP may, at its choice, do the following:
- 8.2.1. cancel the Contract and demand a refund of the purchase price if it has already been paid, in which case BP will return the Defective Goods to the Contractor at his expense; or
  - 8.2.2. demand a reduction or refund (as the case may be) of the purchase price equal to the reduced value of the Defective Goods; or
  - 8.2.3. return defective Goods to the Contractor at his risk and expense and secure identical or similar goods from another Contractor and claim any additional costs and expenses on the Contractor that BP reasonably incurred in obtaining such defects; and
  - 8.2.4. to require compensation from the Contractor for all costs, expenses, compensation and other losses suffered as a result of the delivery of the Defective Goods.
- 8.3. If the Services performed do not meet the Contractor's Warranty ("**Defective Services**"), regardless of any other rights and claims that BP may have under the Contract or other legal reasons, BP may, at its option, choose one or more of the following remedies:
- 8.3.1. require the Contractor to perform the Services free of charge as soon as reasonably possible;
  - 8.3.2. require the Contractor to reduce the financial compensation relating to the Defective Services proportionally;
  - 8.3.3. ensure services from a third party and require the Contractor to reimburse all reasonable costs and expenses incurred thereby;
  - 8.3.4. terminate the Contract and refuse to accept any further performance of the Services from the Contractor;
  - 8.3.5. to require the Contractor to reimburse all costs, expenses, indemnities and other losses incurred by BP in connection with the Defective Services.

## 9. **COMPENSATION**

- 9.1. Should a breach of public security or a product liability regulation be claimed against BP in connection with the Contractor's supply of Goods or Services, then the Contractor must compensate BP, its employees, officers, agents, customers, successors and agents in the maximum extent permitted by applicable law, and regardless of any other rights and claims that BP may have under the Contract or other legal reasons, ("**Parties entitled to compensation**") for all costs, expenses, damages and other losses (including attorneys' fees or other legal costs, appeals costs and costs of their own employees), incurred as a result of such breach unless the Contractor proves that the Contractor has not caused this breach.
- 9.2. Notwithstanding any other rights and claims that BP may have under the Contract or other legal reasons, the Contractor shall reimburse BP and the Parties entitled to compensation to the maximum extent permitted by applicable law, all financial obligations, expenses, losses, costs (including attorneys' fees or other legal costs, appeals costs and costs of their own employees), indemnification or damages resulting from (i) any Defective Goods and / or Defective Services, or (ii) any breach by the Contractor or its Contractors or subcontractors (including any delayed delivery of the Goods or performance of the Services), or (iii) any negligence, willful omission or wrongful act or omission of the Contractor or its Contractors or subcontractors.

## 10. **INSURANCE**

- 10.1. The Contractor shall take out and maintain at his own expense the usual insurance with the conditions customary in industry which BP deems satisfactory, in particular labor, public and product liability insurance. Upon BP's request, the Contractor shall prove the existence of this insurance. For the avoidance of doubt this means that the insurance coverage must not in any way limit the Contractor's liability and guarantees for its delivered Goods and Services performed for BP.

## 11. **INTELLECTUAL PROPERTY, SECRECY**

- 11.1. Any know-how, confidential information and intellectual property rights, including but not limited to patents, trademarks, service marks, design rights (whether registered or not), copyright (including any future copyright), and any use of any of the foregoing items developed by or on behalf of the Contractor in connection with (i) specifically agreed development, (ii) a product modification made specifically for BP or (iii) part of the instrument design ("**New intellectual property rights**"), will become the property of BP and will be covered by payment of the price for the Goods or Services. The Contractor shall take all reasonable steps to transfer ownership of these rights to BP. Regardless of its obligation to transfer ownership, the Contractor hereby guarantees in advance an unconditional, irrevocable, transferable, exclusive and worldwide royalty-free license to any New intellectual property rights, whether in their original form or in any modified form. The Contractor may not use any New intellectual property rights for purposes other than for the purposes of the Contract.
- 11.2. The Contractor shall keep all information and documents provided by BP, or in any other way acquired in connection with trading with BP, or which the Contractor will create or produce, or have created or produced specifically in connection with performance of the Contract with BP, confidential. The Contractor shall not use or cause the use of such information or documents for purposes other than those of the Contract. This obligation will remain in effect despite termination or performance of the Contract, for whatever reason, but these provisions do not apply to any information or documents publicly available or that become publicly available in other ways than a breach of the Contractor's confidentiality obligation and information submitted to the Contractor's subcontractors to the extent necessary to fulfill the Contract.
- 11.3. The Contractor shall use the items, documents and ancillary resources of all types provided by BP to perform the Services or manufacture of the Goods solely for the execution of the Services or manufacture of the Goods, and must without delay return these items to BP after the performance of the Services or manufacture of the Goods or after expiration of the Contract.
- 11.4. The Contractor warrants that the sale, possession, resale or use of the Goods and / or performance of the Services to be delivered does not infringe any intellectual property rights of third parties or third party know-how. In such a case, BP shall have the option of applying the remedies referred to in paragraph 8. In addition to these remedies, the Contractor shall indemnify, to the maximum extent permitted by applicable law, BP and the Parties entitled to compensation for all payments or losses from royalties or license fees, and for any costs, losses and expenses they have suffered or which they may be liable for any breach of this warranty, including attorneys' fees or any other legal expenses. The Contractor shall provide BP and the Parties entitled to compensation with any assistance reasonably necessary in defending this claim arising from copyright infringement. If BP finds that this warranty may give rise to a claim, then BP may immediately terminate the Contract without any obligation to the Contractor.
- 11.5. The Contractor cannot make any reference to BP in its advertising, literature or correspondence without the prior written permission of BP. Nothing in the Contract authorizes the Contractor to use any BP name, trademark or logo.

## **12. SPARE PARTS**

- 12.1. The Contractor shall have suitable spare parts, substantially identical in terms of functionality and quality, to the parts used in the Goods for at least seven years from the discontinuation of manufacture of the Goods, or provide equivalent solutions under commercially reasonable conditions for BP.

## **13. TOOLS / RESERVATION OF OWNERSHIP**

- 13.1. Any material, software, equipment or tools that (i) BP provides to the Contractor, (ii) BP purchases pursuant to this Contract, or (iii) the Contractor purchases or uses in connection with this Contract that BP pays for ("**Tools**"), remain property of BP and may be used solely for the purpose of meeting the Contractor's obligations under this Contract. Ownership of all Tools shall pass from the Contractor to BP on the date the Tools are acquired by the Contractor, or, in the event that the Tools are manufactured by the Contractor, on the date of their completion by the Contractor. No further action by either party is required to take effect for this transmission. The Contractor shall designate these Tools as BP assets as soon as they have been provided to them or immediately upon their acquisition or completion by the Contractor. At the request of BP, the Contractor shall prove the existence of this marking by photographs or otherwise. The Contractor may use these Tools solely to provide the Services or to produce the Goods ordered by BP. The Contractor shall, at his own expense, ensure the Tools belonging to BP to their new value under appropriate conditions. The Contractor must perform timely and periodic inspections, servicing, maintenance and repair of the Tools at its own expense. At the request of BP, the Contractor must hand over the tools to BP.

## **14. SUBCONTRACTORS**

14.1. The Contractor does not engage subcontractors without BP's prior written consent. The Contractor shall require its subcontractors to comply with all obligations under this Contract, including confidentiality. Notwithstanding any consent given by BP, the Contractor shall be liable to BP for any conduct or omission of its subcontractors as if it were its own conduct. No subcontractor contract shall release the Contractor from the obligation to provide the Goods or perform the Services or any other obligation under the Contract.

#### **15. CONTRACTOR CONDUCT RULES**

15.1. The Contractor is aware, that BP has a 'Bohemia Properties a.s. Contractor code of conduct.' ("**Contractor Code of Conduct**"). The text of this code is available at <http://www.janhotels.cz/termsandconditions-en> and BP shall provide copies to the Contractor upon its request. The Contractor shall comply with the requirements of the Contractor Code of Conduct and consistently maintain a high level of honesty in all its business relationships with BP, as well as promote the highest possible level of professional competence in all its activities. With this in mind, the Contractor may not engage in any activity that constitutes a breach of the Contractor's Code of Conduct when delivering Goods and / or providing Services to BP. Furthermore, the Contractor is aware that no BP employee is entitled to propose conduct to the Contractor or approve behavior that is contrary to the Contractor's Code of Conduct.

15.2. At the request of BP and to its satisfaction, the Contractor shall demonstrate compliance with the requirements of the Contractor Code of Conduct, for example by providing data or conducting a self-assessment.

15.3. If BP has reason to believe that the Contractor has committed a material breach of the Contractor's Code of Conduct, BP or a third party authorized by it may conduct searches on the Contractor's land to verify that the Contractor is in compliance with the Contractor's Code of Conduct. BP will use reasonable efforts to ensure that all inspections are carried out in accordance with all applicable data protection laws and will not unreasonably damage the Contractor's business or interfere with any confidentiality agreements that the Contractor has with third parties. The Contractor shall reasonably cooperate in any inspections performed. Each Party shall bear its own costs in connection with these inspections.

15.4. Notwithstanding any other rights or claims that BP may have in connection with the Contract or for other legal reasons, BP may terminate the Contract and cancel all purchase orders arising therefrom without any obligation to the Contractor if the Contractor has committed a material breach of the Contractor Code of Conduct or failed to remedy any breach after being notified in writing by BP.

15.5. Serious violations include, but are not limited to, cases of forced or child labor, corruption and bribery, or failure to comply with the Contractor's Code of Conduct for environmental protection.

15.6. Any reference to the Contractor Code of Conduct shall be made to refer to that version of the Contractor Code of Conduct, which is amended and in force - unless the context requires otherwise.

#### **16. COMPENSATION IN THE EVENT OF THE CONTRACTOR BREACHING THE COMPETITION LAW**

16.1. In the event that the Contractor concludes an agreement that constitutes an unlawful restriction of competition in connection with the conclusion of the Contract, the Contractor shall pay BP, without limiting any other rights or claims that BP may have in connection with the Contract or for other legal reasons, 15 % the price of any supplies or services associated with it. BP's further indemnity claims in excess of this amount of compensation shall remain unaffected. However, the Contractor shall be obliged to pay only the actual damage caused by this unlawful restriction of competition if he proves that these claims are less than the total compensation referred to in this paragraph. This measure is also valid if the Contract expires, is terminated or has already been fulfilled.

#### **17. OBLIGATION TO INFORM**

17.1. If any of the following situations arise for the Contractor, the Contractor shall promptly inform BP of all details relating to that situation and, in good faith, answer any inquiries from BP regarding the other circumstances of that situation: (i) change of Contractor's legal form; (ii) a redistribution of all or a substantial part of the Contractor's property; (iii) any natural or legal person(s) becomes the direct or indirect owner of securities of the Contractor with a right to vote representing more than 50% of the Contractor's capital shares with a right to vote in circulation; (iv) the Contractor is merged with another legal entity; (v) any change of the Contractor's top management; or (vi) any other event occurs that results in a change in the Contractor's management, meaning a change in the entity or person(s) having the right to issue management orders and / or to manage the Contractor's strategy.

#### **18. HIGHER POWER**

18.1. Neither party shall be liable for failure to fulfill its contractual obligations if such failure arises as a result of force majeure, which are unforeseeable events that cannot be prevented by that party. Transport problems, illness, strikes, lack of raw materials, failure to comply with the Contract by the subcontractors

or the fall in the business of the Contractor shall not be considered as cases of force majeure. The customer has the right to terminate the Contract without compensation if the case of force majeure lasts (or is likely to last) for more than thirty (30) days.

## **19. CONTRACT TERMINATION**

- 19.1. BP may terminate the Contract in whole or in part at any time and for any reason by giving written notice to the Contractor; immediately thereafter, all work under the Contract shall be suspended and BP shall pay the Contractor a fair and reasonable compensation for work in progress at the time of termination, but this compensation shall not include expected profit or consequential loss and shall in any event not exceed the price of the Goods or Services under the Contract. BP may request that any Goods or Services, or the results of the Services to which the compensation payment relates, be delivered to BP in their immediate state.
- 19.2. BP may terminate the Contract without obligation to the Contractor by giving written notice to the Contractor, while any of its rights and remedies arising from the Contract shall remain in effect and terminate as of the date stated in the notice if the following circumstances occur:
- 19.2.1. The Contractor commits a material breach of any provision of the Contract and (in the case of a breach that can be remedied) fails to remedy the breach within 21 days of the date of notification by BP (Contractor is aware that a number of minor breaches may constitute serious breach); or
- 19.2.2. Contractor submits or is filed for bankruptcy, or insolvency proceedings or proceedings providing for protection against creditors are initiated, or when an order is made to appoint a bankruptcy or asset manager, or a substantial portion of its property is subject to tax or distraint, or claims have been assigned to its creditors.
- 19.3. These GPC, that have an explicit or implicit effect upon termination, shall remain enforceable regardless of termination.

## **20. APPLICABLE LAW AND JURISDICTION**

- 20.1. The Contract and any deliveries of the Goods and Services regulated by it shall be governed by Czech law except for the validity of the United Nations conventions relating to international trade in goods.
- 20.2. The parties must submit any disputes, contradictions and claims arising out of or in connection with the Contract, including any dispute concerning the validity of the Contract, exclusively to the competent and local jurisdiction according to the registered office of BP.

## **21. GENERAL PROVISIONS**

- 21.1. The Contractor may not offset any potential claims under the Contract against any claims of BP or refuse to perform any obligation that may arise under the Contract because he would have a right of detention unless such rights or claims of the Contractor are contested by BP or confirmed by the final decision of the competent court.
- 21.2. Any failure or delay by BP in exercising its powers, rights or entitlements under the Contract shall not constitute a waiver of such authority, right or entitlement; nor does it preclude any individual or partial exercise of BP's authority, right or claim by any other or further use of any other authority, right or claim. Any waiver of claims by BP in breach of any provision or condition of the Contract shall not be construed as a waiver in the event of any other breach of any provision or condition of the Contract, be it the same or any other provision or condition of the Contract. No waiver by BP is valid unless made in writing.
- 21.3. These GPC constitute the entire agreement between BP and Contractor relating to the sale and purchase of Goods and / or Services. No amendment or change to this Contract shall be effective unless BP expressly agrees in writing. Any procedure used in previous transactions between BP and the Contractor may not be used to supplement or explain any provision of the GPC.
- 21.4. Unless expressly stated otherwise in the Order or these GPC, no provision of these GPC is enforceable by a third party. BP may assign the Order or any right or claim under the Order to any third party without the prior written consent of the Contractor.
- 21.5. If any provision or requirement of this Contract is invalid or unenforceable, the other provisions of this Contract shall remain in full force and effect to the utmost effect permitted by applicable law. Invalid or unenforceable provisions or missing parts of the GPC shall be replaced or supplemented by applicable and enforceable provisions which are as close as possible to the economic intent of the parts relating to invalid, unenforceable or missing provisions.
- 21.6. BP and the Contractor have expressly agreed that BP is entitled to unilaterally change these GPC to a reasonable extent. The change will be announced by the publication of the new General Purchase Conditions of Bohemia Properties a.s. on the website <http://www.janhotels.cz/termsandconditions-en>. BP is required to publish new GPC at least 30 days prior to the effective date of their change. In the event



that the Contractor does not agree with the GPC change, it is entitled to reject the changes and in such a case terminate the Contract with a notice of 60 days from the date of delivery of the notice to BP.

21.7. In case of any discrepancy between the different language versions of these GPC, the Czech version shall always prevail.

In Prague on

Contractor:

With registered office /  
place of business:

ID:

Represented by:

Stamp and signature:

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