**Purchase contract**

This purchase contract (”**Contract**”) was concluded pursuant to Sec. 2079 *et seq*. of the Act No. 89/2012 Coll., Civil Code (“**Civil Code**”), on the day, month and year stated below by and between:

1. **Institute of Physics of the Academy of Sciences of the Czech Republic, public research institution**

with its registered office at: Na Slovance 2, Praha 8, PSČ: 182 21

registration No.: 68378271

enrolled in the Register of public research institutions kept by MEYS

represented by: RNDr. Michael Prouza, PhD. – director

(“**Client**”); and

1. **DELONG INSTRUMENTS a.s.**

with its registered office at: Palackého třída 3019/153b, Brno 616 00

registration No.: 46903879

enrolled in the commercial register kept by Krajský soud v Brně, item B 3738

represented by: Ing. Tomáš Papírek – Member of Board

(“**Supplier**”).

(The Client and the Supplier are hereinafter jointly referred to as “**Parties**” and individually as “**Party**”.)

**whereas**

1. The Client is a public contracting authority and the beneficiary of grants of the Ministry of Education, Youth and Sports of the Czech Republic for different projects aimed on building and further development of international research laser facility ELI Beamlines (“**Projects**”), within the Operational Programme Research, Development and Education (hereinafter the “**Operational Program**”).
2. For the successful realization of the Projects it is necessary to purchase the Object of Purchase (as defined below) in accordance with the Act No. 134/2016 Coll., on public contracts awarding, as amended, and with binding rules of the Operational Program.
3. The Supplier’s bid for the public contract titled “*Large Optomechanical Mirror Mounts and Electronic Controls for L4 10 PW Compressor,*” whose purpose was to procure the Object of Purchase (hereinafter the “**Bid**” and “**Public Contract**”), was selected by the Client as the most suitable and relevant parts thereof describing the Object of Purchase (as defined below) and the course of its manufacture from the technical and quality perspective form Annex 5 (*Supplier’s Bid*) to this Contract.

**it was agreed as follows:**

# basic provisions

## Under this Contract the Supplier shall:

## develop (based on the detailed conceptual design provided by the Client) detailed design, manufacture, test and deliver to the Client **5 optomechanical mounts** of large laser mirrors (**identified as OM7, OM8, OM9, SPM1 and OOM1**)

## develop (based on the detailed conceptual design provided by the Client) detailed design of **the optomechanical mount** of a large laser mirror identified as **OM7.5**

*Note: manufacturing, testing and delivery of the mount OM7.5 forms a contractual call in option (art. 1. 2 a) hereof)*

## develop (based on the detailed conceptual design provided by the Client) detailed design, manufacture, test, deliver and install in the place of delivery the **optomechanical electronic controller**

## as are the mounts and the controller specified herein, mainly in Annex 1 (*Summary of Deliverables, Time Schedule and Payments*), Annex 2 (*Detailed Technical Specifications*), Annex 3 (*Verification Control Document*) and Annex 5 (*Supplier´s Bid*) to this Contract (“**Object of Purchase**”) and shall transfer to the Client ownership right to the Object of Purchase,

## and the Client shall take over the Object of Purchase and shall pay the Supplier the Purchase Price (as defined below), all under the terms and conditions stipulated herein.

## The following contractual call in options are hereby agreed by the Parties:

#### optional manufacture, testing and delivery of the optomechanical mount OM7.5 in accordance with this Contract and all its Annexes including Annex 1 (*Summary of Deliverables, Time Schedule and Payments*) (hereinafter ”**Option 1**”);

#### optional provision of extra design works up to 40 man-days according to Annex 1 (*Summary of Deliverables, Time Schedule and Payments*);

#### optional installation technical support up to 20 man-days according to Annex 1 (*Summary of Deliverables, Time Schedule and Payments*);

(all options are referred to hereinafter together as the “**Options**”),

## (except for the Art. 8 hereof any provisions of this Contract applicable on the Object of Purchase apply on the performance of the Options (if activated) and results of the performance by the Supplier similarly).

## If for the fulfilment of the requirements of the Client under this Contract or for the proper operation of the Object of Purchase are necessary other deliveries and activities not expressly mentioned in this Contract, the Supplier shall procure such deliveries or shall carry out such activities at its own expense without any effect on the Purchase Price.

## During the performance of this Contract, the Client is entitled to further specify or clarify the requirements stipulated in Annex 2 (*Detailed Technical Specification*). Such further requirements can be requested by the Client no later than one month before the scheduled completion of the D2 Deliverable (for optomechanical mounts OM7, OM7.5, OM8, OM9 and SPM1 and for the motion control system MCTR) and of the D3 Deliverable for the optomechanical mount OOM1. These further requirements shall be binding for the Supplier. Under this provision, the Client is not entitled to substantially change the existing requirements stipulated in Annex 2 (*Detailed Technical Specifications*). Should any request for change result in increase of Purchase Price such request is binding for the Supplier only if the Purchase Price modification is agreed between Parties and such modification is in accordance with the Act No. 134/2016 Coll., on public contracts awarding, and binding rules of the Operational Program.

## The Object of Purchase and its components and parts shall be delivered new (i.e. not remanufactured).

## The final cleaning of all components, testing and verification of performance of the integrated mounts and integration of all instrumentation with the control system (MCTR) must not be performed by a subcontractor.

## The Supplier shall perform this Contract in Deliverables defined in Annex 1 (*Summary of Deliverables, Time Schedule and Payments*).

# SUPPLIER’s duties

## The Supplier shall ensure that the Object of Purchase complies with all technical specifications and performance requirements stipulated in Annex 2 (*Detailed Technical Specifications*). The Supplier is responsible that the Object of Purchase and/or its subsystems meet valid safety, technical and quality Czech and EU standards.

## During the performance of this Contract the Supplier proceeds independently, unless hereunder stated otherwise. If the Supplier receives instructions from the Client, the Supplier shall follow such instructions unless those are in contradiction to the applicable law or this Contract. If the Supplier finds out or should have found out by exercising professional care that the instructions are inappropriate or contradicting valid law, Czech or EU standards or are in contradiction to this Contract, then the Supplier must notify the Client.

# CLIENT´s confidential information

## For the purposes of detailed design and manufacture of the Object of Purchase, the Client may provide to the Contractor conceptual drawings, 3D model, schemes and other materials related to the Object of Purchase, which are of confidential nature and which will be labelled as “Confidential and Proprietary” (“**Client’s Confidential Information**”). The Supplier acknowledges that the Client’s Confidential Information is of proprietary and confidential nature and that such information might be protected under laws that cover industrial or other intellectual property and that disclosure of such information may cause damage or other harm to the Client and/or other third persons. The Supplier may use the Client’s Confidential Information only and solely for the purposes of the fulfilment of this Contract, i.e. for the manufacture and assembly of the Object of Purchase for the Client.

## The Supplier must ensure that Client’s Confidential Information will be accessed only by persons (e.g. employees and/or subcontractors) that need such access for the fulfilment of this Contract. The Supplier shall take all reasonable steps to ensure that the Client’s Confidential Information will not be accessed by any third party and/or by any unauthorized person.

## Should the Supplier breach any of his duties stipulated in this Article 3 the Client is entitled to charge him with contractual penalty in the amount of 4 000 EUR for each case of such breach.

# Design and manufacture of the object of purchase

## The detailed engineering drawings developed by the Supplier in the Deliverables D2 and D3 must comply with the requirements of this Contract and shall be approved by the Client prior to proceeding to elaboration of the production (manufacture) drawings. If the Client suggests modifications to these drawings, the Supplier shall incorporate such modifications or shall explain in writing the reason for refusing to incorporate them.

## The Supplier must act in such a way that this Contract is performed in time and in due manner.

# LICENCE of the Supplier

## If any part of the Object of Purchase forms an object protected by intellectual property rights laws and/or forms related know-how, the Supplier grants to the Client a right to use such part of the Object of Purchase, including related documentation (“**Supplier’s Proprietary Information**”) in the original or modified version (“**Licence**”) for the purposes listed in Art. 5.3.

## The License is granted:

#### royalty free worldwide;

#### for the period of validity of the rights to each of the licensed intellectual property objects, which applies adequately to the related know-how.

## The Licence comprises the right to use the Object of Purchase for research and development activities within operation of the International Laser Research Facility ELI Beamlines including necessary modifications to the Object of Purchase including software and limited handover of necessary documentation upon signature of a non-disclosure agreement to third parties for the purposes of operation, servicing and further development of the Object of Purchase.

## This granted License also includes the Supplier’s permission to the Client to modify and/or alter and/or otherwise change any part of the Supplier’s Proprietary Information; either by itself or with assistance of any third party. This permission shall apply *mutatis mutandis* to the Client’s entitlement to combine and/or merge any part of the Supplier’s Proprietary Information with any other work; either by itself or with assistance of any third party.

## The Client is entitled to transfer/ assign the License on any third party if the ownership or operation of International Laser Research Facility ELI Beamlines shall pass on such third party*.* The Client shall inform the Supplier within undue delay thereabout. The Client is entitled to grant wholly or partially the License to any third party (sublicense) if the right to use the Object of Purchase is granted to such third party.

## The Client is not required to use the Licence, unless the maintaining of the right depends on the exercise thereof.

## The Supplier hereby represents and warrants to the Client that:

#### is entitled to use and enforce all intellectual property rights to the Supplier’s Proprietary Information, in order to be ensured that the Client may use the Supplier’s Proprietary Information properly and without any interference; and

#### is entitled to grant License to the Client in the extent specified in this Contract.

## If the Licence is endangered or infringed, the Client shall inform the Supplier accordingly without undue delay after ascertaining this fact. The Supplier shall provide the Client with cooperation to ensure the legal protection of the Licence. It is hereby explicitly agreed that the Supplier shall give the Client consent to enforce the industrial property rights and/or related know-how rights covered by the License.

# Monitoring aND implementation of the Inspection Plan

## The Supplier undertakes to enable the Client exercising inspections of the performance of this Contract. For this purpose, the Supplier shall provide to the Client all information regarding the status of the design and manufacture of the Object of Purchase at the request of the Client, anytime during performance of this Contract.

## The Supplier shall provide to the Client all cooperation, assistance and information that the Client needs for the purposes of full evaluation of the status of the design or manufacture of the Object of Purchase.

## If the Client, especially during an inspection, ascertains any breach of the Supplier’s duties under this Contract, the Client shall notify in written the Supplier of such breaches. The Supplier has to respond to such notification and suggest, in an appropriate detail, remedying the deficiencies, within fourteen (14) calendar days, unless the Parties agree otherwise.

## Each Party shall invite the other Party to attend a meeting in writing at least 14 calendar days in advance. The Parties may upon mutual agreement replace meetings in person by other forms of communication, as long as they agree on such in writing. Each Party shall bear its expenditures related to their participation in meetings at the other Party’s facility; however, costs which would arise due to an error, faulty performance or a breach of contractual provisions of the Parties shall be borne by that Party which caused it.

## The Supplier shall follow the Quality and Verification Plan addressing all requirement items stated in Annex 3 (*Verification Control Document*) and shall invite the Client at least 14 calendar days in advance to participate in all relevant activities of this Plan.

## If the Client does not participate in an inspection and/or verification activity according to Annex 3 (*Verification Control Document*) at the date communicated in accordance with Art. 6.5 the Supplier is not entitled to carry out respective activities in absence of the Client. However, in such a case the Supplier is not in delay with delivery of the corresponding Deliverable and subsequent Deliverables with proven dependency on the corresponding Deliverable and delivery periods of such Deliverables shall extend by the time of the Client´s delay, unless the Parties agree otherwise.

# THe place AND TIME of delivery

## The place of delivery shall be the International Research Laser Facility ELI-Beamlines located at Průmyslová 835, Dolní Břežany (district Prague-west), ZIP 252 41, the Czech Republic (hereinafter also “**ELI Beamlines**” or “**ELI Beamlines site**”).

## The Supplier shall perform individual Deliverables in terms stipulated in Annex 1 (*Summary of Deliverables, Time Schedule and Payments*).

## The Supplier shall carry out performance and verification tests of the major subsystems of the Object of Purchase (i.e. of the optomechanical mounts and of the motion control system (MCTR)) at his premises (factory acceptance tests), in relation with Deliverables D3, D5 and Optional DA (if the Option 1 is activated), on the dates agreed with the Client in accordance with Art. 6.5, according to Annex 3 (*Verification Control Document*).

## For the purpose of determination of individual deadlines stipulated hereby the **Commencement Day** shall be the seventh calendar day after the Contract is concluded (i.e. signed by the second of the Parties).

# price and payment terms

## The total purchase price for the Object of Purchase excluding Options is **18 526 500,-** Czech Crowns (CZK) without value added tax (“**VAT**”)(“**Purchase Price**”). The Purchase Price represents the Supplier´s binding maximum price. The prices for performing Options are stipulated in Annex 4 *(Prices)* hereto*.* VAT shall be imposed on top of all payments made hereunder according to valid legislation.

## The Purchase Price and prices of Options cannot be exceeded.

## The Purchase Price includes all costs and expenses of the Supplier related to the performance of this Contract excluding Options. The Purchase Price include especially all expenses related to the design, manufacture, assembly, factory testing, delivery to ELI-Beamlines and installation (where applicable) of the Object of Purchase or its parts, costs of the Licence, insurance, warranty service and any other costs and expenses connected with the performance of this Contract excluding Options. Similar rules shall *mutatis mutandis* apply on the prices of Options.

## The Purchase Price and prices of Options may be changed only in accordance with the Act No. 134/2016 Coll., on public contracts awarding, as amended.

## If the Supplier performs the subject-matter hereof duly in line herewith without substantiall breaches of the Contract and if there are no obvious reasons for doubts on continuing of due performance hereof by the Supplier taking into account the overall approach of the Supplier to the Contract performance (presented particularly by due preparation for performance of activities that are to come) and if it might ease further performance hereof by the Supplier the Client reserves the right fully on its discretion to provide the Supplier with the Purchase Price partial instalments (Payments) or any parts of them sooner than scheduled hereunder or in higher amount than stipulated by Annex No 1 hereto, Summary of Deliverables, Time Schedule and Payments (i.e. any Payments might be increased with proportional decreasing of future payments). If the conditions stipulated above are met the Client is entitled to modify the payment schedule included in the Annex No 1 hereto anyhow in favour of the Supplier and to provide it with any prepayment.

## The Purchase Price and prices of Options shall be paid on the basis of tax documents – invoices, to the account of the Supplier designated in the invoice. The Purchase Price shall be paid following the payment schedule set out in Annex 1 (*Summary of Deliverables, Time Schedule and Payments*). The prices of Options shall be paid according to Annex 1. The Supplier is entitled to issue any invoice no sooner than on the moment a Deliverable is duly completed and accepted by the Client in accordance with this Contract.

## The Client shall execute payments on the basis of duly issued invoices within 30 days from their receipt. If the Supplier stipulates any shorter due period in an invoice such different due period shall not be deemed relevant and the due period stipulated herein prevails. Any invoice shall be considered to be paid for on the day when the invoiced amount is deducted from the Client’s account on behalf of the Supplier’s account.

The invoices shall be sent to the Client solely in the electronic form to the address [efaktury@fzu.cz](mailto:efaktury@fzu.cz)

## The invoice issued by the Supplier as a tax document must contain all information required by the applicable laws of the Czech Republic. Invoices issued by the Supplier in accordance with this Contract shall contain in particular following information:

#### name and registered office of the Client,

#### tax identification number of the Client,

#### name and registered office of the Supplier,

#### tax identification number of the Supplier,

#### registration number of the tax document,

#### Quantity (extent) and nature of performance supplied or services rendered(including the reference to this Contract),

#### the date of issue of the tax document,

#### the date of the supply of goods or services or the date of the payment on account, whichever comes sooner, in so far as they differ from the date of issue of the tax document – invoice,

#### due date,

#### the price,

#### registration number of this Contract, which the Client shall communicate to the Supplier based on Supplier’s request before the issuance of the invoice,

#### registration number and title of a Project if requested by the Client prior to invoicing,

## and must comply with the double tax avoidance agreements, if applicable.

## In case that the invoice shall not contain the above mentioned information, the Client is entitled to return it to the Supplier during its maturity period and this shall not be considered as a default. The new maturity period shall begin from the receipt of the supplemented or corrected invoice to the Client.

# ACCEPTANCE OF DELIVERables, Handover of individual parts of Object of purchase, acceptance of complete object of purchase

## Upon receiving any documents, reports or designs necessary for completion of Deliverables D1, D2 and D3 the Client shall provide the Supplier within 10 working days with his comments to the submitted documents. The Supplier shall be obliged to take the Client’s comments into account, i.e. the Supplier shall accept all justified and materially correct comments and requirements for changes made by the Client. Should the Supplier consider any of the comments or requirements made by the Client as materially incorrect or unacceptable, the Supplier shall specify in writing his reasons for refusing to accept them. The Supplier will produce final documents containing all justified and materially correct comments and requirements for changes raised by the Client.

## Should any Deliverable (other than D4, D6, and optional DA (if the Option 1 is activated)) be duly completed and comply with the requirements of the Client as set forth herein the Client shall issue to the Supplier, without undue delay, a confirmation on the due execution of the Deliverable (hereinafter the “**Deliverable Acceptance Protocol**“). Notwithstanding to it the Client shall not be obliged to verify the correctness of all calculations and/or technical solution details during the course of the acceptance of the Deliverables relating to the detailed design and fabrication process. Acceptance of these individual Deliverables does not release the Supplier from his liability for the technical compliance and completeness of the entire Object of Purchase.

## On-site acceptance and handover and takeover of individual parts of the Object of Purchase related to Deliverables D4, D6, and optional DA (if the Option 1 is activated) shall be realized on the basis of a final acceptance protocol (hereinafter the “**Final Acceptance Protocol**“), which shall contain at least the following information:

#### identification of the Supplier, Client and subcontractors, if there are any;

#### identification of the Deliverable;

#### declaration of the Client that he received from the Supplier all technical information and documentation related to the Deliverable;

#### statement of the Client on acceptance of the Deliverable; and

#### date of the signature.

## The Final Acceptance Protocol issued according to Art. 9.3 hereof must contain the following annexes, which shall be provided by the Supplier:

#### list of items (accessories) handed over within the corresponding Deliverable;

#### protocols with full results of all design and/or manufacturing inspections and of performance verification testing, carried out according to Annex 3 (*Verification Control Document*);

#### drawings, 3D models, software codes and other contractually required information and documentation corresponding to the Deliverable.

## In case of deficiencies (i.e. defects and backlogs) of the delivered subsystems related to Deliverables D4, D6 and optional DA (if the Option 1 is activated), mainly if the Supplier does not hand over to the Client all the above mentioned documents, or if the Deliverable does not meet the Requirements Specifications according to Annex 2 (*Detailed Technical Specifications*), the Client is entitled to refuse the takeover and acceptance of that Deliverable. Whenever technically possible the Supplier shall remedy the deficiencies within ten (10) working days, unless Parties agree otherwise (particularly due to the fact that period of 10 working days is technically impossible); however these periods do not imply that the Supplier is not in delay with delivery of any Deliverable. The Client is entitled at his discretion (but not obliged) to take over and accept the respective Deliverable despite the above mentioned deficiencies, in particular if such deficiencies do not prevent the Client from the proper operation of the Object of Purchase. In such a case the Parties shall list the deficiencies in the Final Acceptance Protocol, including the manner and the date of their removal (remedy). If the Parties do not reach agreement in the protocol regarding the date of the removal, the Supplier shall remove the deficiencies within ten (10) working days. Until the remedy of the deficiencies the Client shall be entitled to postpone the corresponding payment up to the amount corresponding to the significance of the deficiency.

## Should it be necessary to modify any part of the already accepted Deliverable in order to meet any requirement stipulated herein, the Supplier undertakes to perform such modifications and accepts that the costs related thereto are included in the Purchase Price or price of the Options.

# The ownership right

## The ownership right to the subsystems of the Object of Purchase, corresponding to the Deliverables D4, D6 and optional DA (if the Option 1 is activated), shall pass to the Client upon their handover and acceptance confirmed by the signature of the Final Acceptance Protocol by both Parties.

# warranty

## The Supplier provides a warranty of quality related to any already accepted and handed over part of the Object of Purchase for the period of 24 months from execution of a Final Acceptance Protocol for the respective part of the Object of Purchase, except for the motion control system (MCTR) for which the warranty length is specified in Annex 5 (*Supplier´s Bid)*. If on a warranty list or other document submitted by the Supplier the warranty period is of longer duration, then this longer warranty period shall have priority over the period stated in this Contract.

## If any Final Acceptance Protocol lists any deficiencies, the warranty period shall begin on the day on which the last deficiency was removed.

## The Supplier shall remove defects for which he is responsible according hereto that occur during the warranty period free of charge and in the terms stipulated in this Contract. The Supplier shall bear all the expenses (e.g. travelling, accommodation expenses and price of equipment rental or purchase) related to removal of the defects.

## If the Client ascertains a defect of the Object of Purchase during the warranty period, the Client shall notify such defect without undue delay to the Supplier. Defects may be notified on the last day of warranty period, at the latest.

## The Client notifies defects in writing via e-mail. The Supplier shall accept notifications of defects on the following e-mail address: [service@delong.cz](mailto:service@delong.cz) The Supplier shall confirm receipt of the notification within two working days.

## In the notification the Client shall describe the defect and the manner of removal of the defect. The Client has the right to:

#### ask for the removal of the defect by the delivery of a replacement individual part of the Object of Purchase,

#### ask for the removal of the defect by repair, or

#### ask for the adequate reduction of the price, i.e. the Purchase Price or the price of Option, particularly in case of irremovable defects.

## The Supplier shall remove the defect within 21 calendar days from its notification, unless Parties agree otherwise. The Client shall agree an extended deadline for defect removal with the Supplier if the Supplier submits evidence (e.g. subcontractors bid etc.) that removal of the defect within 21 calendar days is impossible for objective reasons (i.e. independent of the will of the Supplier), or if technical nature of the defect makes not possible its removal within 21 calendar days.

## The Supplier shall remove the defect within terms stipulated in this Contract even if the notification of the defect is in his opinion unjustified. In such a case the Supplier is entitled to ask for reimbursement of the costs of removal of the defect. If Parties disagree on whether the notification of the defect is justified or not, the Client shall secure an expert opinion. If the expert considers the notification to be justified, then the Supplier shall return the reimbursement amount paid to him in accordance with the second sentence of this paragraph.

## Parties shall sign a protocol on the removal of the defect, which shall contain the description of the defect and the confirmation that the defect was removed. The warranty period shall be extended in case of defects preventing the Client from use of any component of the Object of Purchase for intended use by the period of time that elapses between the notification of the defect and its removal. The warranty period extension applies both on the defective component and all other (even non-defective) components that could not have been used for intended use due to operational dependence.

## In case that the Supplier does not remove the defect within the stipulated or mutually agreed term or if the Supplier refuses to remove the defect, then the Client is entitled to remove the defect at his own costs and the Supplier shall reimburse these costs within 30 days after the Client’s request to do so. In such a case the existing warranty remains intact.

# representations and warranties of the Supplier

## The Supplier represents and warrants to the Client that

#### he possesses all professional qualifications to supply the Object of Purchase, has all the professional prerequisites necessary for the proper fulfilment of this Contract and is able to carry out activities foreseen hereunder with the due care, skill and knowledge of well-experienced experts in his particular professional field,

#### is fully authorized to perform this Contract, and

#### there are no obstacles on his side that would preclude him from the due performance of this Contract.

## The Supplier is aware of the importance to the Client of the fulfilment of this Contract in terms of quality, performance and schedule. In the event of a failure by the Supplier to meet them (e.g. in case of delay with delivery of Deliverables and/or in the case if the Object of Purchase does not meet the performance requirements), substantial damage may arise to the Client.

# penalties

## If the Supplier is in delay with the Deliverables D1 and D2 for more than one month, the Supplier shall pay to the Client a contractual penalty in the amount of 0.05% of the Purchase Price (excl. VAT) for every even incomplete day of delay.

## If the Supplier is in delay with the Deliverables D3, D4, D5 and D6, the Supplier shall pay to the Client a contractual penalty in the amount of 0.05% of the Purchase Price (excl. VAT) for every even incomplete day of delay.

## If the Supplier is in delay with the removal of a defect of the Object of Purchase preventing the Client from proper operation of the Object of Purchase, the Supplier shall pay to the Client a contractual penalty in the amount of 0.05% of the Purchase Price (excl. VAT) for every even incomplete day of delay. In case of defects that do not prevent the Client from proper operation of the Object of Purchase the contractual penalty shall amount to 0.02% of the Purchase Price (excl. VAT) for every even incomplete day of delay.

## The Supplier shall pay any of the contractual penalties charged under this Contract within thirty (30) days from the day, on which the Client enumerated its claim for the contractual penalty. The payment of contractual penalties shall not affect the right of the Client to damages in the extent in which such damages exceed the contractual penalty, thus the Client shall be entitled to claim the exceeding damages.

## Total amount of contractual penalties for delay with completion of Deliverables D3, D4, D5 and D6 shall not exceed 2% of the Purchase Price (excl. VAT) in relation to each Deliverable D3, D4, D5 and D6, i.e. in total 8 % of the Purchase Price.

## The Client is entitled to unilaterally set off claims arising from the contractual penalties against the claim of the Supplier for the payment of the Purchase Price or prices of Options.

# right of withdrawal AND Vis major

## The Client is entitled to withdraw from this Contract without any penalties, if any of the following circumstances occur:

#### the Supplier breaches this Contract in a substantial manner;

#### the Supplier repeatedly fails to follow the mandatory activities listed in the Verification Control Document, stipulated in Annex 3, and/or does not allow the Client to inspect the Supplier’s premises for the purposes of ascertaining status of fulfilment of the Contract;

#### the Supplier is in delay with any contractual Deliverable stipulated in Annex 1 for a period exceeding 3 (three) calendar months, except where the delay has been caused by the Client;

#### results of the factory testing, even after third testing attempt, do not meet the requirements stipulated in Annex 2 (*Detailed technical specifications*);

#### the insolvency proceeding is initiated against the Supplier; or

#### the Client ascertains that the Supplier provided in its Bid for the Public Procurement information or documents that do not correspond to the reality and that had or could have had impact on the result of the tendering procedure, which preceded the conclusion of this Contract.

## The Supplier is entitled to withdraw from this Contract in the following cases:

1. the Client breaches this Contract in a substantial manner;
2. the Client is in delay with the payment of any Deliverable for a period longer than 3 calendar months; or
3. the Client repeatedly refuses his attendance at the respective verification activities specified in the Verification Control Document, stipulated in Annex 3.

## The act of withdrawal from the Contract shall become effective on the day of delivery of the notification in writing from one Party to the other with consequences of the Contract termination effective in the “ex tunc” regime, unless the Parties agree otherwise.

## Circumstances precluding liability shall be deemed to have been constituted by such circumstances / obstacles which arose independently of the will of the obliged Party, and which prevent fulfilment of that Party’s obligation, provided that it could not be reasonably expected that the obliged Party could overcome or avert this obstacle or its consequences, and furthermore that such Party could foresee such obstacle when it entered into the respective covenants. Liability cannot be precluded by obstacles that arose only after the obliged Party was in default with fulfilment of its obligations, or which arose in connection with its economic situation. The effects precluding liability shall be limited to the period during which the obstacles causing these effects persist.

## Should a situation occur, which a Party could reasonably consider to constitute vis major (force majeure), and which could affect fulfilment of its obligations hereunder, such Party shall immediately notify the other Party and attempt to continue in its performance hereunder in a reasonable degree. Simultaneously, such Party shall inform the other one of any and all its proposals, including alternative modes of performance, however, without the other Party’s consent, the Party shall not proceed to carry out such alternative performance. If a situation constituting vis major occurs, the deadlines imposed hereunder shall be extended by the period of the duration of the said vis major.

# Confidentiality

Parties shall not disclose information that shall become available to them in connection with this Contract and its performance and whose disclosure could harm the other Party. Duties of the Client ensuing for the applicable legal regulations remain unaffected.

# representatives of the parties

## The Supplier appoints the following representative for the communication with the Client:

In technical matters:

Name: Ing. Tomáš Bejdák

E-mail: [tomas.bejdak@delong.cz](mailto:tomas.bejdak@delong.cz)

Tel.: 549 123 506

## The Client appoints the following representative for the communication with the Supplier:

In technical matters:

Name: Ing. Bedřich Rus, PhD.

E-mail: [rus@fzu.cz](mailto:rus@fzu.cz)

# Final provisions

## This Contract is governed by the laws of the Czech Republic, especially by the Civil Code.

## All disputes arising out of this Contract or out of legal relations connected with this Contract shall be preferably settled by a mutual negotiation. In case that the dispute is not settled within sixty (60) days, such dispute shall be decided by courts of the Czech Republic in the procedure initiated by one of the Parties.

## The Supplier takes into account that the Client is not in relation to this Contract an entrepreneur, nor the subject matter of this Contract is connected with the business activities of the Client.

## The Supplier is not entitled to set off any of its claims or his debtor’s claims against the Client’s claims. The Supplier is not entitled to transfer its claims against the Client that arose on the basis or in connection with this Contract on third parties. The Supplier is not entitled to transfer rights and duties from this Contract or its part on third parties.

## All modifications and supplements of this Contract must be in writing.

## If any of provisions of this Contract are invalid or ineffective, then such invalidity, ineffectiveness or unenforceability shall not cause the invalidity, ineffectiveness, or unenforceability hereof as a whole and the Parties are bound to change this Contract in such a way that the invalid or ineffective provision is replaced by a new provision that is valid and effective and to the maximum possible extent correspond to the original invalid or ineffective provision as well as most closely reflects the intentions of the Parties at the time of conclusion hereof, to an extent permitted by the laws and regulations of the Czech Republic.

## If any Party breaches any duty under this Contract and knows or should have known about such breach, it shall notify it to the other Party and shall warn such Party of possible consequences of the breach.

## Integral parts of this Contract are:

## Annex 1 (*Summary of Deliverables, Time Schedule and Payments*)

## Annex 2 (*Detailed Technical Specifications*)

## Annex 3 (*Verification Control Document*)

## Annex 4 (*Prices*)

## Annex 5 (*Supplier’s Bid*)

## In case of any discrepancy between any provisions of this Contract and any provisions of its Annexes the provisions of this Contract shall prevail. In case of any discrepancy between any provisions of Annexes hereof the provisions containing conditions and specifications that are more favourable to the Client (i.e. higher technical specification values and/or more technically advanced or demanding solutions etc.) shall prevail.

## This Contract shall be valid on the date of the signature of both Parties and effective on the date of its publication in the Register of contracts according to special legal regulation.

**in witness whereof** attach Parties their signatures:

**Client**

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: RNDr. Michael Prouza, PhD

Position: Director

**Supplier**

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: Ing. Tomáš Papírek

Position: Member of the board

**Annex 1**

**Summary of Deliverables, time schedule and payments**

**annex 2**

**Detailed technical specifications**

**annex 3**

**VERIFICATION CONTROL document**

**annex 4**

**PRICES**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Item No.** | **Item** | **Price CZK excl. VAT** | | | |
| **1** | **Purchase Price according to art. 8.1 of the Purchase Contract** | **18 526 500,00** | | | |
| **2** | **Option 1: Manufacture, testing and delivery of the optomechanical mount OM7.5** | **724 000,00** | | | |
|  |  | **Unit** | **Number** | **Price CZK excl. VAT per unit** | **Price CZK excl. VAT per item** |
| **3** | **Option 2: Optional design works** | man day | 40 | **10 000,00** | 400 000,00 |
| **4** | **Option 3: Optional installation technical support** | man day (including travel) | 20 | **12 000,00** | 240 000,00 |

**annex 5**

**Supplier’s bid**

1. **Warranty period on the motion control system (Remaining warranty on the MCTR)**

The Supplier provides a warranty of quality on the motion control system (MCTR) of the Object of Purchase for the period of 30 months.

1. **Qualification prerequisites**

The Supplier shall carry out assembly and testing works hereunder in the cleanroom space described within the Bid as follows:

A cleanroom space of Class 5 or better with minimum surface 20 m2 for assembling and testing of optomechanical units:

Class 5 - 50 m2 – with surface dimension 10 x 5 m

* for assembling optomechanics and UHV vacuum units

The Supplier shall use the following persons it identified within its Bid for performing this Contract while carrying out all the relevant activities hereunder:

|  |  |
| --- | --- |
| **Team member position** | **Name** |
| Senior optomechanical designer | Ing. Tomáš Bejdák |
| Junior optomechanical designer | Ing. Michal Andrys |
| Junior optomechanical designer | Ing. Petr Brabenec |
| Senior electronic engineer | Ing. Jan Robotka |
| Junior electronic engineer | Ing. Petr Dobiáš |

The Supplier is allowed to use another person only if it proves that such person possesses qualification and abilities conforming with requirements for each relevant position listed in the procurement documentation issued for purposes of Public Contract award.