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Č.J.: GFU- 432/2016
Spisový znak: 35.0 A5
JID: OSS-48924-ES-6987
Listů příloh: 6/2

PURCHASE AGREEMENT

subject to the provisions of Article 2079 et seq. of Act No. 89/2012 Coll., the Civil Code, as amended,

entered into by and between on the below mentioned day, month and year:

Institute of Geophysics AS CR, v. v. i.
Registered office: Boční II 1401, 141 31 Praha 4
Represented by: RNDr. Pavel Hejda, CSc.
Company Reg. No.: 67985530
Tax Ident. No.: CZ67985530
Banking contact: [REDACTED]
Email: [REDACTED]

hereinafter referred to as the "Purchaser"

and

the company
Guralp Systems Ltd
Registered office: Midas house, Calleva Park, Aldermaston, Reading, UK, RG7 8EA
Represented by: Companies House
Company Reg. No.: 02199239
Tax Ident. No.: 491 4657 20
Banking contact: [REDACTED]
Account no.: [REDACTED]
Email: [REDACTED]

hereinafter referred to as the "Seller"

**I.
Subject of the Agreement**

1. The Seller is obliged to supply the subject of the Agreement to the Purchaser – **set of 10 broadband seismometers** (hereinafter also as "Goods"). The basic parameters of the subject of the purchase are provided in the **"Technical specification"** which forms Attachment No. 1 to this Agreement.
2. Further the Seller is obliged to:
 - a) deliver to the purchaser all necessary components, required for operation and use of the Goods;
 - b) provide a delivery of the Goods to the place of performance;
 - c) pay all fees, custom duties and taxes related to importation of the Goods, import and export surcharges, license and any other fees related to the delivery of the Goods until handover in the place of performance;
 - d) deliver to the purchaser all necessary Technical documentation (user manual) in Czech or English language, or the required documents and certificates and delivery report.



II.

Time, place and method of supply of the subject of purchase

1. The Seller shall undertake to supply the subject of purchase to the Purchaser **no later than 3 months after the conclusion of this Agreement.**

The Seller shall fulfil his obligation to supply the subject of purchase by the Purchaser accepting a complete and faultless subject of purchase.

2. The Seller shall deliver the subject of purchase to the registered office of the purchaser:
Institute of Geophysics AS CR, v. v. i., Boční II 1401, 141 31 Praha 4,
unless the Contractual Parties agreed otherwise.
3. The Seller also agrees to provide the Purchaser with all documents that relate to the subject of purchase along with the subject of purchase, in particular:
 - detailed user instructions or handbooks or user manuals for the subject of purchase
 - warrantee certificate for the subject of purchaseall of the above mentioned documents must be in the Czech or English language.
4. Proper **handover and acceptance of the complete and faultless subject of purchase shall be certified by a handover protocol** signed by both contractual Parties, including the stamps of the Contractual Parties and the date of delivery and acceptance of the subject of purchase by the Purchaser.

III.

Responsibilities of the Contractual Parties

1. The Seller shall be obliged to supply the subject of purchase to the Purchaser at the agreed time and place, quality, design, to provide the documents that relate to the subject of purchase and allow the Purchaser to acquire ownership of the purchase.
2. The Purchaser shall be obliged to accept, view and pay the Seller the agreed purchase price for the subject of purchase properly and in a timely manner.
3. The Seller shall bear all costs associated with the transport of the subject of purchase until its delivery to the Purchaser as a complete and faultless unit at the agreed place.
4. The Seller shall bear the cost of insurance of the subject of purchase to the time of handover to the Purchaser, and shall declare that this cost is included in the purchase price.
5. The Seller shall acknowledge that it is obliged to cooperate in the exercise of financial control pursuant to Article 2 letter e) of Act No. 320/2001 Coll., on financial control in public administration, as amended. The Seller agrees with the publication of this agreement.

IV.
Purchase price

1. The Buyer shall undertake to pay the Seller the purchase price in the agreed amount for supply of the subject of purchase pursuant to Article I, herein:

The final tender price for the **Set of 10 broadband seismometers without VAT: 1,541,076.92 CZK**

The final tender price for the **Set of 10 broadband seismometers including VAT: 1,541,076.92 CZK (No VAT between EU countries)**

2. The agreed purchase price is fixed as the **maximum permissible** price and includes all of the Seller's costs associated with the delivery of the subject of purchase to the location provided in Article II, section 2, herein. The agreed purchase price thus includes among other things:
- detailed instructions, guides or manuals for use and maintenance of the subject of purchase, all in the Czech or English language
 - shipping and insurance of the subject of purchase during the period of transportation to the place specified by the Purchaser
3. The purchase price is payable on the basis of invoices issued by the Seller. The invoices due date is agreed for a period of 30 days from date of invoice.
4. The purchase price is payable in two instalments. The Purchaser is obliged to pay 30 % of the purchase price after the conclusion of the contract and the remaining 70 % of the purchase price after the proper delivery of the complete and faultless subject of purchase.
5. Final invoice will be issued by the Seller after the procedural handover and acceptance of the subject of purchase by the Purchaser. A copy of the handover and acceptance protocol signed by both Contractual Parties for the complete and faultless subject of purchase will be an inseparable Attachment and part of the invoice.
6. Invoices issued by the Seller under this Agreement must comply with the statutory requirements of a tax document. If an invoice does not meet the above mentioned requirements, the Purchaser shall be entitled to return it to the Seller, whereby the Seller shall be obliged to issue a new invoice with a new due date. In which case, the Purchaser shall not be in arrears with the payment of the invoice.
7. The Purchaser shall be entitled to suspend any payment to the Seller if the Seller is in default with the fulfilment of any obligation to the Purchaser under this Agreement.
8. The Purchaser's obligation to pay the agreed purchase price is met on the day the invoiced amount is debited from the Purchaser's bank account.

V.
Warranty period, liability for defects, claim conditions

1. The Seller shall provide a quality guarantee for a period no less than 24 months for the subject of purchase under this Agreement. The warranty period begins at the time of the proper handover of the complete and faultless subject of purchase.

2. Claims for defects during the warranty period shall be made by the Purchaser in writing to the Seller without delay after their discovery. In writing means also via e-mail.
3. The warranty period shall be extended for a period starting from the date of a claim and ending on the date of elimination of defects. In the event that the Seller does not respond to the claimed defect, it is considered that the claim has been acknowledged.
4. The Seller is obliged to commence the removal of claimed defects no later than 48 hours from the point the Purchaser's claim was delivered in writing.
5. The Seller is obliged to remove the claimed defects as soon as technically possible, but **no later than 15 working days** from the day the Purchaser's claim was delivered in writing, unless the Contractual Parties agree otherwise. If the Seller fails to remove the defect within the period specified herein or within another deadline agreed in writing by the Contractual Parties, the Seller undertakes to pay the contractual penalty in the amount of **0.05% of the total purchase price of the subject of purchase** for each day of delay and case of delay in defect removal.

Removal of defects shall be carried out at the place of installation of the equipment or at the workplace of the Seller or authorized service centre. In the case of removing the defect in the Seller's workplace or authorized service centre the expenses of transporting the goods to service centre and back shall be covered in full by the Seller.
6. In the event that the Seller does not remove a duly and timely claimed defect within the agreed deadline, the Purchaser shall be entitled to remove defect at Seller's expense.
7. The Contractual Parties shall agree that the penalty stipulated herein, compensation for damages or other monetary claims of the Contractual Parties shall be payable on the day following the receipt of their billing to the Contractual Party which is obliged to pay.

VI. Sanctions

1. In the case of delay of the Seller in the delivery of the complete and faultless subject of purchase the Contracting Parties agree that the Seller shall be obliged to pay the Purchaser the penalty in the amount of **0,05 %** of the price for supply of the subject of purchase without VAT according to Article IV, point 1., for each calendar day of delay.
2. If the Purchaser defaults in the payment of the purchase price, it shall be obliged to pay the Seller contractual interest in the amount of 0.05% of the amount due for each day of delay.

VII. Withdrawal from the Agreement

1. Withdraw from the Agreement is only possible in the cases provided for herein or by law.
2. The Contractual Parties agree that a **material breach of the obligations under this Agreement**, for which the affected Contractual Party may withdraw from this Agreement shall

mean in particular:

- commencement of insolvency proceedings against the Seller, initiation of liquidation of the Seller or if the Seller loses its authorization to conduct business activity
 - any delay of the Seller in the delivery of the subject of purchase, lasting more than 14 days
 - if the Purchaser fails to pay the Seller the purchase price for the subject of purchase within a reasonable time (*at least 14 days*) stated in a written reminder from the Seller for payment received by the Purchaser at the address of its registered office
 - if the Seller transfers its obligation to deliver the purchased item or part to another party without the prior written consent of the Purchaser.
3. The buyer is entitled to withdraw from this contract or its part also resign if he is not awarded the promised subsidies from the Academy of Sciences.
 4. Notice of withdrawal from this Agreement must be in writing and shall be effective upon delivery to the other Contractual Party. The notice of withdrawal from this Agreement must include the reason for withdrawal.
 5. Withdrawal from the Agreement shall terminate all of the rights and obligations of the Contractual Parties under this Agreement. Withdrawal from the Agreement shall not affect the claim for damages arising from a breach of contract or contractual provisions relating to the settlement of disputes between the Contractual Parties or a claim for payment of a penalty.
 6. A Contractual Party to which performance was rendered prior to withdrawal from the Agreement shall return this performance. If performance is returned by the party which withdrew from the contract, it may claim reimbursement of the expenses incurred.

VIII.

Other and final provisions

1. The legal relations between the Contractual Parties arising from this Agreement and the legal relations of the Contractual Parties, herein expressly unaltered shall be governed by the applicable regulations of the Czech Republic. In particular, the relevant provisions of the Civil Code, as amended.
2. The Contractual Parties agree that the court with jurisdiction to hear and decide any dispute arising between the Purchaser and the Seller under this Agreement or in connection with it shall be the **general court** of the Purchaser.
3. Changes or amendments to this Agreement can only be made in the form of written addendum which will be numbered consecutively, explicitly declared as a supplement to this Agreement and signed by the authorized representatives of the Contractual Parties.
4. In the event that any of the provisions of this Agreement prove to be invalid or ineffective, this fact shall not affect the other provisions of this Agreement which shall remain valid and

effective; at the same time, the Contractual Parties agree to replace the invalid/ineffective provisions of the Agreement with valid and effective provisions, which in their meaning will be close to the original content of the invalid/unenforceable provisions. In the event of any discrepancy between the attachments and parts of the Agreement and the text of the Agreement, the text of the Agreement shall take precedence.

5. This Agreement shall come into force upon signature by both Contractual Parties.
6. The Contracting Parties declare that the Agreement was drawn up on the basis of their true, solemn and free will, in witness whereof they attach their signatures.
7. This Agreement is prepared in two counterparts, with each Contractual Party receiving one copy, thereof.

Attachment No. 1 "Technical specification"

Done indate 18/07/2016

Done indate 22/06/2016

on behalf of the Purchaser

on behalf of the Seller

Geofyzikální ústav AVČR, v.v.i.
Boční II/1401 a, 141 31 Praha 4-Spořilov
IČ: 67985530, Tel.: 267 103 111

HANNAH PETERS





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 Reading
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 UK

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 E sales@guralp.com

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Compliance:

Lot No. 1: Set of 10 Broadband Seismometers:

Minimum Requirements	Specification of Guralp Seismometer
Three component recording System	Three component recording System
Frequency Range 1/60Hz to 100Hz	Frequency Range 1/60Hz to 100Hz
12v power supply	10 to 36v DC (nominal 12v)
Humidity resistance according to IP68 specification	Humidity resistance according to IP68 specification
Nominal sensitivity maximum of 1500V/m/s	1500 V/m/s
Output voltage +/- 20v	+/- 20vpk = 40vpp
Dynamic Range 140dB	140dB
The instrument noise for vertical and horizontal components (1) below the USGS New Low Noise Model in the frequency range from 0.033Hz to 20Hz	Complies

Full Specification to include 10 sets of each:

CMG-3ESPC
 30s to 100Hz frequency response (other options available)
 1500 V/m/s output sensitivity (other options available)
 Hard anodised aluminium casing
 Auto masslock, auto centre

5m Sensor Cable
 From CMG-3ESPC to CMG-DM24S6EAM

Delivery:

No later than 3 months (90 working days) from signing of contracts

Güralp Systems Limited.
 Registered Office, 3 Midas House,
 Calleva Park, Aldermaston, Reading,
 RG7 8EA
 Registered in England no. 2199239
 VAT Registration no. 491 4657 20



The final tender price (including delivery to Institute of Geophysics, Prague):

Lot No. 1 of the PC: Set of 10 broadband seismometers

The final tender price for the **Set of 14 broadband seismometers without VAT CZK 1,541,076.92**

The final tender price for the **Set of 14 broadband seismometers include VAT CZK 1,541,076.92(ZERO BETWEEN EU COUNTRIES)**

