

PURCHASE CONTRACT

entered into within the meaning of Section 2079 of Act No. 89/2012 Coll., the Civil Code (hereinafter the "Civil Code") on the day, month and year specified below and under the following conditions by and between the following parties:

THE BUYER

Name: Brno University of Technology (hereinafter referred to as "BUT")
With its seat at: Antonínská 548/1, 601 90 Brno

Component part: Faculty of Information Technology (hereinafter referred to as "FIT BUT")
With its seat at: Božetěchova 1/2, 612 66 Brno (address for delivery)

Represented by: prof. Dr. Ing. Pavel Zemčík, dean of FIT BUT

Id. No.: 00216305

Tax Id. No.: CZ 00216305

Bank account: Komerční banka a.s., Account No.: 27-8684040287/0100

Contact person of the Buyer:
XXX, tel. no.: XXX, e-mail: xxx@fit.vutbr.cz

and

THE SELLER

Name: AbsInt Angewandte Informatik GmbH
With its seat at: Science Park 1, D-66123, Saarbrücken, Germany
Registration in the Commercial Register: Amtsgericht Saarbrücken, HRB 11234

Represented by: Dr.-Ing. Christian Ferdinand, CEO

Id. No.: 040/105/01720

Tax Id. No.: DE192589616

Bank details: Bank1Saar, IBAN DE02 5919 0000 0001 9340 07

Contact person of the Seller:
XXX, tel. no.: XXX, e-mail: xxx@absint.com

(hereinafter also jointly referred to as the "Parties")

I. SUBJECT OF THE PURCHASE

- 1) The Subject of the Purchase hereunder is as follows:
Astrée Static Run-Time Error Analyzer for C, Base License Floating.
- 2) The Subject of the Purchase is specified in more detail in the Sales Quotation no.: A2022041440 from the date: April 14th, 2022 which constitutes an integral part of this Contract as its Annex 1 and in the Technical Specification which constitutes an integral part of this Contract as its Annex 2.
- 3) By virtue of this Contract, the Seller agrees to:
 - a) hand over the Subject of the Purchase to the Buyer pursuant to paragraph 1 and enable the Buyer to assume the ownership title to the Subject of the Purchase;
 - b) to perform the other obligations contained herein.and the Buyer agrees to take over the Subject of the Purchase and pay the purchase price.
- 4) The Seller and the Buyer further agree that, in addition to the above, the Seller is also obliged and agrees to:
 - a) deliver the Subject of the Purchase at the place specified by the Buyer;
 - b) hand over the lists of individual items of the Subject of the Purchase.

II. PURCHASE PRICE

- 1) The Buyer agrees to pay to the Seller the purchase price in the amount of:

Purchase price incl. VAT

EUR 16.900,00

III. PLACE AND TIME OF PERFORMANCE

- 1) The Seller agrees to hand over the above-specified Subject of the Purchase to the Buyer not later than on the 7th workday upon receiving the Buyers purchase order.
The Seller will be considered to have met its obligation to hand over the above-specified Subject of the Purchase upon its takeover by the Buyer provided that the Buyer will deem it free of any defects.
- 2) At the same time, the Seller agrees that, with regard to the nature of the Subject of the Purchase, it shall demonstrably inform the Buyer sufficiently in advance (at least three business days) that it intends to hand over the Subject of the Purchase; otherwise, the Buyer is not obliged to take over the Subject of the Purchase. In case the Seller informs the Buyer in a timely manner pursuant to the preceding sentence, the Buyer agrees to permit the Seller an access to the place of performance.
- 3) The Seller agrees to hand over the Subject of the Purchase at the following place:
Faculty of Information Technology BUT, Božetěchova 1/2, 612 00 Brno, Czech Republic
- 4) The Buyer represents that it is authorised to take over the Subject of the Purchase and sign the handover record:
XXX, tel. no.: XXX, e-mail: xxx@fit.vutbr.cz
- 5) The Seller acknowledges that the Buyer specifically requested the delivery of all the required documents for the Subject of the Purchase in accordance with Art. IV (3) of the General Purchasing Conditions of the University of Technology.

IV. QUALITY WARRANTY

The Buyer and the Seller agree that the Warranty Period for the Subject of the Purchase, as well as for each of its parts is from the date on which the Subject of Purchase was taken over by the Buyer free of any defects.

V. FINAL PROVISIONS

1) The following annexes form an integral part of this Contract:

- a) Annex 1 – Sales Quotation no.: A2022041440 from the date: April 14th, 2022
- b) Annex 2 – Technical Specification of the Subject of the Purchase.

The Parties agree that in case of any inconsistencies or contradictions, the Articles I. to VI. of the Contract take precedence over any annexes to the Contract. Furthermore, the Parties agree that in case of any inconsistencies or contradictions between individual annexes, the annex whose numerical designation specified in this paragraph is lower, shall prevail.

- 2) General Purchasing Conditions of the University of Technology, in the wording applicable as of the execution of this Contract (hereinafter the “GPC”) form part of this Contract. The GPC apply as terms and conditions within the meaning of Section 1751 of the Civil Code and provide for the rights and obligations of the Seller and the Buyer that are not specified herein. In this regard, in order to avoid any speculations, the Parties also declare and agree that in the GPC, any reference to “the Contract” shall mean this Contract. Both Parties simultaneously agree that in case the provisions of the Contract and the GPC differ, the Contract shall prevail. The GPC are available at: <http://vut.cz/vnp>, where, by its signature below, the Seller represents that it has become acquainted in detail with the text of the GPC and thus that the Seller is familiar with it.
- 3) The Seller is entitled to transfer all its rights and obligations hereunder to a third party only with a prior written consent of the Buyer. Section 1879 of the Civil Code shall not apply.
- 4) The Seller agrees to tolerate the publication of this Contract including any annexes by the Buyer pursuant to Section 219 of Act No. 134/2016 Coll., the Public Procurement Act.
- 5) By execution hereof, the Parties confirm that they are aware that this Contract is subject to publication pursuant to Act No. 340/2015 Coll., on the Contracts Register, as amended. Publication of the Contract shall be provided for by the Buyer.
- 6) This Contract shall enter into force on the date of signature by both Parties. The Parties acknowledge that this Contract shall enter into effect no earlier than the date of publication of the Contract in accordance with the Contracts Register.
- 7) If any of the provisions of this Contract becomes invalid or ineffective, this shall in no way prejudice other provisions hereof which shall remain valid and effective. In that case, the Parties agree to replace the invalid or ineffective provision by a new valid and effective provision which best corresponds to the originally intended purpose of the invalid or ineffective provision.
- 8) This Contract constitutes the entire agreement on its subject-matter, and contains all the arrangements that the Parties had to, and intended to, make in the Contract, and which they consider important for this Contract to be binding. No manifestation made by the Parties in negotiations on this Contract or a manifestation made after the conclusion of this Contract may be construed at variance with explicit provisions of the Contract and shall not establish any obligation of any of the Parties.
- 9) This Contract has been drawn up in four original counterparts. Each of the Parties shall obtain two counterparts.

- 10) The Parties confirm that they have read this Contract before executing it and agree with its contents. In witness thereof, the Parties affix their respective signatures.

In Brno, on May 1st 2022

In Saarbrücken, on April 13th, 2022

prof. Dr. Ing. Pavel Zemčík
dean of FIT BUT

For the Buyer:

Dr.-Ing. Christian Ferdinand
CEO of AbsInt

For the Seller:

AbsInt Angewandte Informatik GmbH
 Science Park 1
 D-66123 Saarbruecken

Phone.: +49 681 38360-27
 Fax: +49 681 38360-20
 Email: wehmeier@absint.com
 Web: http://www.AbsInt.com

Represented by:
 Dr.-Ing. Christian Ferdinand

Bank account: Bank 1 Saar eG
 IBAN: DE02 5919 0000 0001 9340 07
 BIC: SABADE55

VAT ID: DE192589616
 Saarbruecken local court
 Register number: HRB 11234

AbsInt GmbH, Science Park 1, D-66123 Saarbruecken

Brno University of Technology
 Faculty of Information Technology
 Peter Chudy
 Bozotechnova 1
 61200 Brno

Czech Republic

Quotation

Saarbruecken, April 14, 2022

Quotation number: A2022041440

Your customer number: 14178

Astrée Software License:

Pos	Qty	Product/Description	Price (in EUR)
1	1	Astrée Base License / floating license (permanent license) - 1 analyzer token, - 2 client tokens. 64-bit Host-OS: Linux or Windows, installation in VMs allowed (not for license management program "ALM"). According to AbsInt Software Usage Agreement. Electronic delivery. 6 months Technical Support & Maintenance included. Usage rights: <u>Research License:</u> Usage only allowed for non-commercial/academic research projects.	39,870.00 <i>minus 50% research discount</i> 19,935.00 <i>minus special discount</i> 16.900,00

Quotation: A2022041440

Date: April 14, 2022



Terms & Conditions:

Usage of the software is restricted to the terms of the AbsInt Software Usage Agreement.

All prices are shown in EURO, and without taxes. Please note that a surcharge of 19% VAT is required from purchasers within the European Union. However, if the purchasing institution is VAT-registered, the surcharge can be omitted by supplying the VAT number with the order.

Delivery time: One week after AbsInt receives your purchase order.

Payment conditions: Net 30 days.

This offer is valid until 30th September, 2022.

Errors and omissions excepted.

All supplies are subject to the "Allgemeine Lieferbedingungen für Erzeugnisse und Leistungen der Elektroindustrie", as of June, 2011.

If there are any questions, please contact us via email (sales@absint.com) or phone (+49 681 383 60-0).

Factsheet



Astrée for C/C++

Release 22.04, b11008416

March 31, 2022



Astrée is a static analyzer which signals all potential runtime errors, data races, and further critical program defects in safety-critical C/C++ programs adhering to the C90, C99, C11, C18, and C++98, C++11, C++14, C++17 language norms. Astrée is *sound*, i.e., if no errors are signaled, this means there are no errors from the class of errors under investigation – the absence of errors has been proven. It reports program defects caused by unspecified and undefined behaviors according to the C and C++ language standards, program defects caused by invalid concurrent behavior, and computes program properties relevant for functional safety.

Key features

- Analysis and verification at the module level, application level and whole-program level
- Safe and sound analysis results, based on a mathematically rigorous formal method
- Automatic OS-aware analysis for ARINC-653, OSEK, and AUTOSAR applications
- Full tracability of reported code issues
- Interactive result exploration
- Robust classification of findings
- Configurable report file generation
- Tracking and visualization of project progress and analysis revisions
- Client/server architecture featuring queue processing of analysis requests, and centralized user management and authentication
- Stand-alone tool with open interfaces and open file formats
- MATLAB integration and TargetLink coupling
- Automatic tool qualification according to safety standards
- Seamless RuleChecker integration:
 - Fast and easy to use
 - Enforcement of coding guidelines including MISRA-C:2004, MISRA-C:2012, and customized rule sets
 - No false positives and no false negatives on syntactical rules

- Leverages Astrée results to guarantee zero false negatives and minimal false positives on semantical rules
- Computation of code metrics: HIS metrics and customized metrics
- Enforcement of metric thresholds

Error classes reported by Astrée include:

- integer/floating-point division by zero
- out-of-bounds array indexing
- erroneous pointer manipulation and dereferencing (null, uninitialized, and dangling pointers)
- data races (read/write or write/write concurrent accesses by two threads to the same memory location without proper mutex locking)
- inconsistent locking (lock/unlock problems)
- invalid calls to operating system services (e.g. OSEK-calls to `TerminateTask()` on a task with unreleased resources)
- integer and floating-point arithmetic overflows
- read accesses to uninitialized variables
- code Astrée can prove to be unreachable under all circumstances (note that this is not necessarily all unreachable code)
- violations of optional user-defined assertions to prove additional runtime properties. These static assertions can be formulated with arbitrary side-effect free C expressions. When Astrée does not report an assertion failure alarm, the correctness of the asserted expression has been formally proven.
- violations of coding rules and code metric thresholds.
- non-terminating loops

Astrée is sound for floating-point computations and handles them precisely and safely. It takes all potential rounding errors into account.

Astrée computes data and control flow reports containing a detailed listing of accesses to global and static variables sorted by functions or variables, and caller/callee relationships between functions. The analyzer can also report each potentially



shared variable, the list of asynchronous tasks accessing it, and the types of the accesses (read, write, read/write). The call graph is visualized and can be interactively explored.

Key benefits

Astrée considers all possible program executions with full control and data coverage and can report every source code expression and statement that may lead to a defect from one of the supported defect classes. It relies on abstract interpretation – a provably correct formal method – and does not require the program under analysis to be instrumented, executed, or stimulated by test cases. The tool can be used on handwritten code, automatically generated code, or by any combination thereof. Open interfaces and full batch mode execution make Astrée ideally suited to be used in continuous verification frameworks. Tool couplings, e.g., to dSPACE TargetLink, are available that provide a seamless integration in existing development environments. By using its Qualification Support Kit, Astrée can be automatically qualified according to all contemporary safety norms (e.g., ISO 26262 or DO-178B/C). Astrée enable users to

- reduce the risk of failure in the field by finding all potential run-time errors and data races,
- meet mandatory verification goals of contemporary safety standards,
- improve software quality, and
- reduce time-to-market.

Supported standards

- ISO/IEC 9899:1990 (C90)
- ISO/IEC 9899:1999 (C99)
- ISO/IEC 9899:2011 (C11)
- ISO/IEC 9899:2018 (C18)
- ISO/IEC 14882:2011 (C++11)
- ISO/IEC 14882:2014 (C++14)
- ISO/IEC 14882:2017 (C++17)

- MISRA C:2004
- MISRA C:2012
- MISRA C:2012 Amendment 1&2
- MISRA AC AGC
- HIS metrics
- ISO/IEC TS 17961:2013 (C Secure Coding Rules)
- SEI CERT C Coding Standard
- SEI CERT C++ Coding Standard
- Common Weakness Enumeration (CWE)
- MISRA C++:2008
- AUTOSAR C++14

Current limitations

- Recursions are reported, but recursive function calls are not analyzed.

System requirements

- Windows: 64-bit Windows 10 or newer
- Linux: 64-bit CentOS/RHEL 7 or compatible
- 4 GB of RAM (16 GB recommended)
- 4 GB of disk space

If the system is intended to run several analyses in parallel or to analyze complex asynchronous applications, we recommend at least 32GB. The required amount of memory can be higher depending on the size and complexity of the analyzed code.

Also available

The following AbsInt products are also available for this target:

- RuleChecker
- Qualification Support Kit



More information

- Visit our website: www.absint.com
- Speak with a product specialist:
call +49 681 383 600

About AbsInt

AbsInt provides advanced development tools for embedded systems, and tools for analysis, optimization and verification of safety-critical software. Our customers are located in more than 40 countries worldwide. We have distribution agreements with major software distributors in Asia, North America, Middle East, and throughout Europe.

Our headquarters

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66123 Saarbrücken, Germany
Phone: +49 681 383 600
Fax: +49 681 383 60 20
Email: info@absint.com
Web: www.absint.com

GENERAL PURCHASING CONDITIONS OF THE UNIVERSITY OF TECHNOLOGY

I. DEFINITIONS

- 1) **Buyer** means the Brno University of Technology, with its seat at Antonínská 548/1, 601 90 Brno, Id. No.: 00216305, an entity established under Act No. 111/1998 Coll., on universities and amending and supplementing other laws, not registered in the Commercial Register, acting through its organisational component specified in the Contract, if applicable.
- 2) **Seller** means the person indicated in the Contract.
- 3) **Subject of Purchase** means a movable asset or movable assets specified in more detail in the Contract.
- 4) **Contract** means the purchase contract entered into between the Buyer and the Seller using the procedure arranged in Article II. of the GPC.
- 5) **GPC** means these General Purchasing Conditions, which apply as terms and conditions within the meaning of Section 1751 of Act No. 89/2012 Coll., the Civil Code, as amended (hereinafter the “Civil Code”), and which regulate any rights and obligations of the parties to the Contract that are not specified in the Contract itself. In case of any contradictions or variances between the wording of the Contract and the wording of the GPC, the provisions contained in the Contract shall prevail.

II. CONCLUSION OF THE CONTRACT

The Contract is executed in writing between the Seller and the Buyer, in printed or electronic form, and dated and signed by the respective authorised representatives of the Buyer and the Seller. The Contract may contain an annex with a detailed description of the Subject of Purchase or other annexes as required by the parties; in that case, the annexes form an integral part of the Contract.

III. GENERAL RIGHTS AND OBLIGATIONS

- 1) As a rule, the Seller may use third parties to perform the obligations under the Contract unless the Buyer has determined within the procurement procedure/tender procedure under which the Contract was concluded that a certain substantively defined part of the performance may not be subcontracted. However, the Seller is under all circumstances responsible for a subcontractor’s performance as if the Seller provided the performance itself.
- 2) The Seller is obliged to hand over the Subject of Purchase to the Buyer properly and in due time. In performing the Contract, the Seller is obliged to proceed with proper professional care and responsibility. Any and all professional work must be performed by the Seller’s employees or subcontractors who have the relevant qualification. The Seller is obliged to submit evidence of the employees’ professional qualification at the Buyer’s request. The Seller is obliged to replace an employee who does not have the relevant qualification for an employee who possesses such qualification.
- 3) The Seller is responsible for ensuring that, at the time of handover of the Subject of Purchase, the latter meets the relevant generally applicable legal, technical, safety, hygienic and similar regulations, as well as environmental regulations (hereinafter the “legal regulations”).
- 4) The Seller is obliged to advise the Buyer without delay of all facts the Seller ascertained in the performance of the Contract that could influence the Buyer’s interests or bring about a change in the Buyer’s procedures or attitudes.
- 5) The Buyer is obliged to provide the Seller with all collaboration reasonably required for providing the performance under the Contract properly and in due time.
- 6) The Buyer has the right to check the performance of the obligations under the Contract by the Seller. If the Buyer ascertains that the Seller breaches its obligation, the Buyer may request that the Seller ensure remedy. If the Seller fails to do so even within a reasonable additional time not exceeding 3 (in words: three) business days, this will be regarded as material breach of the Contract. The Seller is obliged to provide the Buyer with the necessary collaboration in order to be able to check the performance of the obligations under this paragraph. The Seller’s failure to provide the collaboration necessary for checking the performance of the obligations under this paragraph will be regarded as material breach of the Contract.
- 7) If the subject of the Contract includes installation of the Subject of Purchase, this shall mean installation of the Subject of Purchase at the place of performance and connecting the Subject of Performance to utilities, in particular power and optical lines, water, demineralised water, gas, technical gases, heat, cold, air-handling technology, and mutual functional interconnection with other items or equipment of the Buyer if the full operation of the Subject of Purchase is conditional on

such connection or interconnection in order for the Subject of Purchase to serve its purpose. The Seller agrees to keep at the Buyer's request in justified cases an installation log in a form agreed between the parties, recording on a regular basis (not less than every three business days) all essential information about the course of installation of the Subject of Purchase.

- 8) If the subject of the Contract includes installation of the Subject of Purchase, the Seller agrees
 - a) to collect and dispose of all waste continuously during the course of the installation, including, without limitation, used packaging and materials, in accordance with the applicable provisions of Act No. 185/2001 Coll., on waste and on amendment to some other laws, as amended, and other legal regulations; the Seller is obliged to submit evidence of waste disposal at the Buyer's request within 5 (in words: five) business days,
 - b) to do the final cleaning; final cleaning means cleaning the place of performance, including without limitation restoring the original condition of all surfaces, structures and installations affected by the performance hereunder.
- 9) If the Buyer or any third parties incur damage in connection with the performance of the Contract by the Seller as a result of omission, negligence, failure to perform the obligations following from the applicable legal regulations, technical or other standards, this Contract or for any other reasons, the Seller is obliged to compensate for the damage by restitution or in money. Any and all related costs shall be borne by the Seller. The Seller is also liable for damage caused by the activities of those engaged in the performance of the Contract as the Seller's employees, subcontractors or otherwise.

IV. HANDOVER OF THE SUBJECT OF PURCHASE AND PASSAGE OF OWNERSHIP TITLE

- 1) Unless the Contract stipulates some other person or some other place of performance for the handover of the Subject of Purchase, the Seller's obligation to hand over the Subject of Purchase will be performed upon handover of the Subject of Purchase to the Buyer at the Buyer's registered office.
- 2) The Seller is obliged to hand over the Subject of Purchase to the Buyer complete and free of any defects and duly packed (see also par. 4 below), if this is required by the Buyer, within the time of performance (hereinafter the "Deadline") set out in the Contract. If the Deadline is not specified in the Contract, the Seller is obliged to hand over the Subject of Purchase to the Buyer without delay, not later than 10 days of the date of conclusion of the Contract. If the Seller is in delay with the Deadline, this is considered to be material breach of the Contract.
- 3) If usual or required for the given type of the Subject of Purchase or if required by the Buyer, the Seller is obliged to hand over to the Buyer, not later than upon handover of the Subject of Purchase, also all necessary documentation relating to the Subject of Purchase (including, but not limited to, all instructions, manuals, declarations of origin of the Subject of Purchase, CE certificate or declaration of conformity, confirmation of compliance with safety requirements under Directive 89/655/EEC, safety data sheets, attestations, declarations of compliance with the conditions for placing packaging on the market under Act No. 477/2001 Coll., etc.) in the Czech language, otherwise the Seller will be deemed not to have complied with its obligation to properly hand over the Subject of Purchase. If this is usual with respect to the Subject of Purchase, the Subject of Purchase includes proper training of persons appointed by the Buyer, where the training is already included in the purchase price.
- 4) The Seller is obliged to hand over the Subject of Purchase in packaging that is suitable for this purpose and ensures beyond any doubt that the Subject of Purchase will not be damaged or devalued during transportation if subject to normal handling. The price of the packaging is included in the purchase price.
- 5) The Seller represents that:
 - a) the Seller is the exclusive owner of the Subject of Purchase;
 - b) the Subject of Purchase is new, i.e. not previously used and not refurbished;
 - c) the Subject of Purchase complies with the Contract, i.e. it has the properties stipulated by the parties, and in the absence of such a stipulation such properties which the Seller or producer described, or which the Buyer expected given the nature of the Subject of Purchase.
- 6) The Seller is obliged to hand over the Subject of Purchase to the Buyer free of any liabilities, claims or rights of any third parties (including, without limitation, rights of pledge, servitudes, etc.).
- 7) If usual in respect of the Subject of Purchase in question or if required by the Buyer, the Seller shall demonstrate that the Subject of Purchase is capable of serving its purpose.
- 8) The Buyer is not obliged to take over the Subject of Purchase if the Subject of Purchase is incomplete or has any other defects and also if the Subject of Purchase does not meet the purpose of the Contract which was known to the Seller at the time when the Contract was concluded. In that case, the Seller will be deemed to be in delay with the handover of the Subject of Purchase in the same way as if the Seller failed to hand it over by the Deadline. If the Buyer fails to exercise its right not to take over the Subject of Purchase that shows any defects, the parties shall note in the handover record that the Subject of Purchase was taken over with defects and attach a list of the defects, including the manner in which the defects will be remedied, the list forming an integral part of the handover record. Any such defects will be remedied within 10 (in words: ten) days unless the Seller and the Buyer agree otherwise. Delay with the deadline for remedy of defects constitutes material breach of the Contract. In connection with defective performance of the Contract, the provisions on claiming

defects in the warranty period and on satisfying rights based on defective performance in the warranty period shall apply by analogy.

- 9) A written handover record shall be drawn up on the handover and takeover of the Subject of Purchase.
- 10) The handover record shall be drawn up by the Seller and the record shall contain, without limitation:
 - a) identification of the Subject of Purchase,
 - b) identification of the Seller and Buyer,
 - c) number and date of conclusion of the Contract,
 - d) Buyer's declaration that the Buyer accepts the Subject of Purchase or a part thereof,
 - e) date and place of drawing up the handover record,
 - f) names and signatures of the Buyer and the Seller,
 - g) list of documents accepted,
 - h) date of termination of the warranty for the Subject of Purchase (upon handover of the entire Subject of Purchase),
 - i) list of any defects and snags, with a deadline for remedying them.
- 11) The Seller agrees to train the operators of the Subject of Purchase by the Deadline, unless the Seller and the Buyer agree otherwise, where for the purposes of the Contract, such training means acquainting the Buyer's employees with the operation of the Subject of Purchase, including, without limitation, technical and organisational conditions, general instructions for occupational safety and health protection and fire protection and all other requisites following from the applicable legal regulations.
- 12) The ownership title to the Subject of Purchase, as well as the risk of damage to the Subject of Purchase, shall pass to the Buyer upon execution of the handover record by both parties to the Contract. Section 2121 (2) of the Civil Code shall not apply. If the Subject of Purchase was taken over by the Buyer with at least one defect, the risk of damage to the Subject of Purchase shall pass to the Buyer only when the last defect was remedied.

V. RIGHTS ARISING FROM DEFECTIVE PERFORMANCE

- 1) The Buyer's right based on defective performance arises from a defect of the Subject of Purchase that existed when the handover record was executed by both parties but became apparent only later. This Buyer's right also arises based on a defect which occurs later and which is caused by the Seller's breach of its obligations.
- 2) The Buyer's right based on defective performance also arises from a defect occurring on the Subject of Purchase during the warranty period. Unless the Seller and the Buyer agree otherwise in the Contract, or unless the manufacturer provides a longer warranty, the warranty for the delivered Subject of Purchase shall last **24 months** (hereinafter also the "Warranty Period"). The Warranty Period shall commence on the date of execution of the handover record by both parties to the Contract. If the Subject of Purchase was taken over with defects, the Warranty Period shall commence on the date when the Buyer confirms a written document proving that all the defects and snags of the Subject of Purchase that were indicated in the handover record have been remedied.
- 3) The Seller is responsible for ensuring that during the entire Warranty Period, the Subject of Purchase has the properties agreed in the Contract and properties required by the legal regulations or properties usual with respect to the purpose of use or properties determined by the Buyer.
- 4) The rights based on defective performance shall be exercised by the Buyer against the Seller without undue delay after a defect is ascertained, through written notice (hereinafter the "Claim") delivered to the Seller's contact person indicated in the header of the Contract. Even a Claim sent by the Buyer on the last day of the Warranty Period will be deemed to be made in time. In the Claim, the Buyer shall indicate at least the following:
 - a) description of the defect of the Subject of Purchase or information how the defect manifests itself,
 - b) what rights the Buyer exercises in connection with the defect of the Subject of Purchase.
- 5) If the Subject of Purchase shows any defects, the Buyer may:
 - a) request that the defects be remedied by delivering a new Subject of Purchase free of defects, unless this is unreasonable in view of the nature of the defect, or by delivering a missing part of the Subject of Purchase,
 - b) request that the defects be remedied by repairing the Subject of Purchase,
 - c) request an appropriate discount on the purchase price, or
 - d) if a defective performance constitutes material breach of the Contract, the Buyer may withdraw from the Contract.

For the purposes of withdrawal from the Contract under this paragraph, material breach means breach of which the breaching party, at the conclusion of the Contract, knew or should have known that the other party would not have concluded the Contract had it foreseen such a breach. In case of doubt, it holds that the breach of the Agreement is material.

- 6) The choice among the claims specified in paragraph 5 above shall be made by the Buyer under all circumstances; the Buyer may choose and exercise even a combination of the claims. Section 2110 of the Civil Code shall not apply.

- 7) The Seller is obliged to remedy any defects of the Subject of Purchase always without delay, not later than ten (10) business days after they were exercised. The Seller shall bear any and all costs related to remedying defects. Delay with remedying defects constitutes material breach of the Contract. If the Seller fails to remedy any defects, the Buyer may have them remedied by a third party at the Seller's costs that the Seller is obliged to reimburse to the Buyer within 10 days after the Buyer claims the defects in writing.
- 8) If the Subject of Purchase has any defects, the Warranty Period shall not run while the defects are being remedied. The time remaining until the end of the Warranty Period of the Subject of Purchase shall commence to run at the time of remedy of the defect(s), extended by the period of time during which the defect was being remedied.
- 9) The Seller is not liable for any defects of the Subject of Purchase resulting from normal wear and tear, inexpert use and handling of the Subject of Purchase or diverting the Subject of Purchase to purpose other than for which it is intended. This shall not apply if the Seller has failed to train the operators of the Subject of Purchase pursuant to Art. IV (11) of the GPC.
- 10) If a dispute arises concerning justification of a Claim, the Buyer shall provide for an expert report by an independent court expert determining whether or not the defect in question is a warranty defect. If the expert report finds the defect to be a warranty defect, the costs of the expert report shall be covered by the Seller; otherwise the costs shall be borne by the Buyer. The expert's statement is binding on both parties and they agree to proceed in accordance with the conclusions of the expert report.
- 11) During the Warranty Period, the Seller is obliged to perform free of charge all servicing that the Seller deems prerequisite for the warranty to be valid. The servicing deadlines shall be unilaterally determined by the Buyer. The price of the warranty service under this paragraph forms part of the purchase price.

VI. PURCHASE PRICE AND TERMS OF PAYMENT

- 1) The Buyer agrees to pay the Seller the purchase price specified in the Contract for the duly delivered Subject of Purchase. The purchase price specified in the Contract is fixed and final and includes all costs of the Seller related to the performance of the Seller's obligations under the Contract, including, without limitation, the costs of acquisition of the Subject of Purchase including the costs of its manufacture, costs of transportation of the Subject of Purchase to the place of performance, taxes, customs and fees including recycling fees, costs of documents pertaining to the Subject of Purchase, costs of disposal of waste generated in connection with the handover of the Subject of Purchase, taking account of all risks and effects that may arise during the performance of the obligations under the Contract.
- 2) The purchase price may be changed only by means of an amendment to the Contract, only if this is expressly required by the Buyer. Any change in the purchase price shall be made in accordance with Act No. 134/2016 Coll., on public procurement, as amended.
- 3) The Seller hereby assumes the risk of a change in circumstances in terms of Section 1765 (2) of the Civil Code.
- 4) The Buyer agrees to pay the purchase price by wire transfer into the Seller's bank account on the basis of a tax receipt-invoice issued by the Seller and delivered to the Buyer. The Seller has the right to issue and send an invoice on the date when the Subject of Purchase is taken over by the Buyer at the earliest. The Buyer does not provide any advance payments.
- 5) A tax receipt-invoice must always contain all statutory and agreed requisites, including, without limitation
 - a) the requisites of a tax receipt in accordance with Act No. 235/2004 Coll., on value added tax, as amended (hereinafter the "VAT Act");
 - b) the requisites of a tax receipt set out in Act No. 563/1991 Coll., on accounting, as amended;
 - c) the requisites of a business instrument pursuant to Section 435 of the Civil Code;
 - d) the period of maturity;
 - e) the Seller's bank details; and
 - f) name and registration number of the project if the Subject of Purchase is (co)financed from subsidies.
- 6) A tax receipt-invoice must contain a separate item for delivery of investment goods and a separate item for delivery of non-investment goods.
- 7) If a tax receipt-invoice fails to contain the above requisites or if the above requisites are specified incorrectly, the Buyer is not obliged to perform on the basis of the tax receipt-invoice and may return the document to the Seller for correction within ten days of the date of its delivery. In the returned tax receipt-invoice, the Buyer shall specify the reason for returning thereof. A new period of maturity shall commence after delivery of a corrected or newly issued tax receipt-invoice.
- 8) If a tax receipt-invoice fails to contain the prescribed requisites and this fact remains unknown until it is ascertained by the competent tax authority or some other authority authorised to carry out inspections at the Seller or Buyer, all the ensuing consequences shall be borne by the Seller.
- 9) Unless agreed otherwise in the Contract, a tax receipt shall be payable within 30 days of its delivery to the Buyer.
- 10) If the Seller is published as an unreliable payer in a manner enabling remote access by the date of taxable performance, the Buyer may pay a part of the purchase price in the amount of the value added tax, or the value added tax, as appropriate,

directly to the tax authority competent for the tax in question, in accordance with Section 109a of the Value Added Tax Act. If the Buyer uses this procedure, i.e. the Buyer pays part of the purchase price corresponding to the value added tax directly to the tax authority and simultaneously pays a part of the purchase price to the Seller, the Buyer will be deemed to have performed its obligation to pay the purchase price under the Contract to the Seller.

- 11) If the Buyer withdraws from the Contract and the Seller has issued a tax receipt-invoice by the time of the withdrawal, the Seller is obliged, not later than 10 days of the Buyer's withdrawal, to issue and deliver to the Buyer a credit note. If the Seller has not yet issued the tax receipt-invoice by the time when the Buyer withdraws from the Contract, the Seller may not issue it any more.

VII. PENALTIES

- 1) If any of the parties to the Contract is in delay with any payment under the Contract, the other party may demand default interest at a rate stipulated by the applicable legal regulations.
- 2) If the Seller is in delay with the performance of its obligation to hand over the Subject of Purchase to the Buyer, the Seller is obliged to pay a contractual penalty to the Buyer in the amount of 0.2 (in words: zero point two tenths) % of the purchase price excluding VAT for each, even incomplete, day of delay.
- 3) If the Buyer exercises its right to take over the Subject of Purchase with defects and the Seller fails to remedy a defect specified in the handover record properly and in due time, the Buyer may request that the Seller pay a contractual penalty in the amount of 0.1 (in words: zero point one tenth) % of the purchase price excluding VAT for every defect that the Seller has failed to remedy in due time, for each, even incomplete, day of delay.
- 4) If the Seller fails to satisfy the Buyer's rights on the basis of defective performance during the Warranty Period within the agreed period of time, in particular if the Seller fails to pay within the agreed period of time an amount corresponding to the required discount on the purchase price or fails to remedy a claimed defect of the Subject of Purchase, the Seller agrees to pay a contractual penalty to the Buyer in the amount of 0.1 (in words: zero point one tenth) % of the purchase price excluding VAT for each claimed defect in relation to which the Seller is in delay with satisfying the Buyer's rights based on defective performance for each, even incomplete, day of delay.
- 5) In the event of breach of the obligation to maintain confidentiality and secrecy of information (including the purpose of use) under Article IX. of the GPC, the party in breach is obliged to pay the other party a contractual penalty in the amount of CZK 50,000 (in words: fifty thousand) for each event of breach of this obligation.
- 6) Contractual penalties shall fall due on the day following the date when the entitlement to them arose. Compensation for any damage shall be prejudiced neither by agreement on any contractual penalty nor by the payment thereof. If a contractual penalty is decreased by the court, the right to compensation for damage shall survive in the amount in which the damage exceeds the amount determined by the court as reasonable, without any additional limitation.
- 7) The Buyer may set off a contractual penalty against the purchase price.

VIII. CONFIDENTIALITY

- 1) During the contractual relationship established by the Contract and during a period of 5 (in words: five) years following its termination, the parties to the Contract are obliged to maintain confidentiality of any confidential information of the other party vis-à-vis third parties with the exception of cases when such information is requested by courts, prosecuting bodies or a competent public authority.
- 2) Confidential information means all information of any kind whatsoever, including commercial information (including, without limitation, about facts constituting trade secrets), technical and practical procedures, as well as all other information obtained before the conclusion of the Contract that a party to the Contract obtained during oral negotiations or using any other means of communication, with the exception of information which:
 - a) is or will become known to the general public in the future including all details, demonstrably in a manner other than through breach of the obligations set out in the Contract;
 - b) a party to the Contract is authorised to publish because the relevant information was available to that party before it was provided to it by the other party and the party in question is able to prove this beyond any doubt;
 - c) a party to the Contract obtained or will obtain from a third party that was not bound by the Contract and the party in question is able to prove this beyond any doubt.
- 3) The parties to the Contract are obliged to ensure that confidential information is disclosed exclusively to employees who must know such information by virtue of their duties and that such employees are bound to maintain confidentiality of such information under par. 1 above.
- 4) The parties to the Contract represent that this Article will not be deemed breached in the event that any documents (the Contract, any amendments thereto, etc.) are published under the generally binding legal regulations.
- 5) The parties to the Contract represent that they will ensure confidentiality is maintained also by any third parties engaged in achieving the objective of the Contract.

- 6) Neither of the parties to the Contract may make copies of or reproduce confidential information in excess of justified need.
- 7) If a third party breaches the obligations following from this Article of the GPC, the third party in question is fully liable for any damage caused thereby and is obliged to provide compensation for the damage to the full extent.

IX. LICENCES

- 1) The Seller is responsible for ensuring that all third-party rights to the Subject of Purchase are properly treated in legal and financial terms, all in a manner ensuring that the Subject of Purchase can be used *ipso facto* without any restrictions, including, without limitation, without any further payments of licence fees by the Buyer or a third party authorised to this effect on the basis of the Buyer's legal acts. For the avoidance of any doubts, it is stipulated that the price of any licences and settlement of any third-party rights is included in the total purchase price paid to the Seller.
- 2) If the Subject of Purchase is a material representation of any copyrighted work or constitutes a copyrighted work or is in any way subject to intellectual property rights (hereinafter the "Work") and unless stipulated otherwise by the Contract, by concluding the Contract, the Seller provides to the Buyer a non-exclusive authorisation to use the Work (licence) without consideration in all manners of use known at the time of conclusion of the Contract, in a manner unlimited in time, space and quantity, and the Buyer is also entitled to provide a licence wholly or partly to a third party (sub-licence). The Buyer is not obliged to use a licence or sub-licence provided under this paragraph.

X. FORCE MAJEURE

- 1) If any of the parties to the Contract is prevented from performing its obligations by a force majeure event, the party in question is not deemed to be in delay, but only insofar as and during the period of time when the impossibility of performance is beyond any doubt caused by the force majeure event.
- 2) For the purposes of the GPC, force majeure means any events (obstacles) that occurred after the incurrence of an obligation independently of the will of the relevant party to the Contract and that are exceptional in character, unavoidable and objectively prevent performance of the obligations under the Contract (for example, state of war, civil unrest, fire, floods, epidemic, quarantine measures, earthquake, landslide, explosion, terrorist attack, etc.). The Seller's performance shall not be deemed impossible if it can be provided under difficult conditions, with increased costs or only after the agreed time.
- 3) If force majeure events occur, the affected party to the Contract is obliged to inform the other party without delay in writing about the nature, beginning and end of the force majeure event.
- 4) The liable party's liability shall not be excluded and the performance Deadline shall not be extended if the force majeure event occurred only when the liable party was already in delay with the performance of its obligation under the Contract or if the liable party failed to perform its obligation to inform the other party without delay under par. 3.
- 5) If the duration of a force majeure event exceeds 5 days, the Buyer may withdraw from the Contract if the Buyer is the party to receive the performance affected by the force majeure event.

XI. TERMINATION OF THE CONTRACT

- 1) The Seller may withdraw from the Contract in the event of material breach of the Buyer's obligations, including, but not limited to, delay with payment of the purchase price exceeding 15 days.
- 2) The Buyer may withdraw from the Contract:
 - a) without undue delay after the Seller materially breaches the Contract;
 - b) without undue delay after the conduct of the Seller undoubtedly indicates that the Seller is about to breach the Contract materially and fails to provide a reasonable security after being requested to do so by the Buyer;
 - c) in the event that a declaration of insolvency is made in respect of the Sellers under Act No. 182/2006 Coll., on insolvency and methods of resolving insolvency (the Insolvency Act), as amended; or
 - d) in the event that the information or documents the Seller provided or submitted in a procurement procedure/tender procedure, which resulted in the conclusion of the Contract, did not correspond to reality and affected or could have affected the result of the relevant procurement procedure/tender procedure.
- 3) If the Subject of Purchase is (co)financed from subsidies, the parties may withdraw from the Contract if the provision of the grant funds used for paying the Subject of Purchase is suspended or terminated.
- 4) Withdrawal from the Contract must be made in writing, signed by an authorised representative of the relevant party and delivered to the other party to the Contract.
- 5) Withdrawal from the Contract shall be without prejudice to the entitlement of either party to compensation for damage incurred through breach of the Contract by the other party. The parties agree that in connection with withdrawal from the Contract, the Seller's lost profits shall not be deemed as damage incurred by the Seller. Further, neither of the parties to the Contract is relieved from the obligation to settle its liabilities incurred through withdrawal from the Contract.

- 6) Section 2000 (2), the second sentence, of the Civil Code shall not apply.

XII. AMENDMENTS AND CHANGES OF THE CONTRACT, CONTACT PERSONS

- 1) The Contract may be amended only in writing, by means of numbered written amendments executed by both parties. The parties may invoke invalidity of the Contract on grounds of lack of the required form at any time, even after commencement of performance. If any of the parties submits a draft amendment, the other party is to express its viewpoint on the draft amendment within 15 (in words: fifteen) days of the day following after the delivery of the draft amendment.
- 2) The previous paragraph shall not apply to changes in any provisions of the Contract that begin with, or to which is attached, the phrase “unless agreed otherwise between the Seller and the Buyer”. In such cases, the contact persons of the parties are authorised to change the Contract and a written record of the change shall be made.
- 3) The contact persons of the parties indicated in the Contract are authorised
 - a) to maintain mutual communication of the parties, including, without limitation, sending and receiving notices and other communications on the basis of the Contract,
 - b) to act on behalf of the parties in matters expressly entrusted to them through this Contract.

Even some other, or additional, person may act for a party as a contact person within the scope of this paragraph, on the basis of a written notification from the party in question concerning that other (additional) person delivered to the other party. If a party appoints several contact persons, each of the contact persons may act on behalf of that party separately.

XIII. OBLIGATIONS OF THE SELLER RELATED TO PERFORMANCE FINANCED FROM THE STRUCTURAL FUNDS

- 1) The Seller acknowledges that if the Subject of Purchase is financed from the Structural Funds, the Seller is, pursuant to Section 2(e) of Act No. 320/2001 Coll., on financial audit in public administration and on amendment to some laws (hereinafter the “Financial Audit Act”), a person obliged to co-operate in financial audits. For such a case, the Seller acknowledges already at this time that a person obliged to co-operate is subject to the same rights and obligations as a person subject to an audit. The Seller is further obliged to ensure that the Seller’s subcontractors, if any, comply with the obligation under this paragraph.
- 2) The parties hereby represent that if the Subject of Purchase is financed from the Structural Funds, they will comply with the requirements for publicity within the Structural Fund programmes of the European Union stipulated by the generally binding regulations (including, without limitation, Commission Regulation (EC) No 1828/2006) and handbooks issued by the relevant managing authority, in all relevant documents concerning performance of the Contract.
- 3) If the Subject of Purchase is financed from the Structural Funds, the Seller is obliged to submit upon request to the relevant project audits carried out by the managing bodies, audit bodies and other authorised bodies under the laws of the Czech Republic and EU laws and enable audits of the project implementation and the Seller’s accounts to the full extent as follows from the Act on Financial Audit and Act No. 255/2012 Coll., on inspection (the Inspection Code).
- 4) If the Subject of Purchase is financed from the Structural Funds, the Seller is obliged to enable upon request all entities authorised to perform inspections of the relevant projects to inspect documents related to the performance of the relevant contract, during the period set by the legal regulations of the Czech Republic for archiving of the documents (for example, Act No. 563/1991 Coll., on accounting, and the VAT Act).

XIV. FINAL PROVISIONS

- 5) In the event of any change in the data indicated in the header of the Contract, the party whose data have changed is obliged to inform the other party of the change in a demonstrable manner (by registered letter) and without undue delay. In the event of damage as a result of non-observance or breach of this obligation, the party which caused the damage agrees to provide compensation for the damage in the full amount.
- 6) The Seller represents that it has become acquainted with the text of the Contract including all annexes before its conclusion and has acknowledged all the complexities and limitations stipulated therein and obtained all necessary information regarding risks, contingencies and all other circumstances that can have an effect on the purchase price.
- 7) If the GPC or the text of the Contract refers to any legal regulation or standard, this shall mean a legal regulation in the wording effective before the conclusion of the Contract. If the legal regulation in question cannot be used for any reason whatsoever, the parties are obliged to use in its place a legal rule that is by nature as close as to that legal regulation as possible.
- 8) The provisions of the GPC shall come into effect vis-à-vis the parties to the Contract on the effective date of the Contract of which they form part.
- 9) The provisions of the GPC are binding on both parties unless expressly agreed otherwise in the Contract.

- 10) The GPC form part of the Contract.
- 11) The parties agree to resolve any variances by agreement. Only if the parties are unable to reach agreement, the matter shall be resolved by the court having substantive jurisdiction under Act No. 99/1963 Coll., the Code of Civil Procedure, as amended, before the court having substantive jurisdiction within whose district the registered office of the Buyer is located.
- 12) The Contract shall be governed by the applicable laws of the Czech Republic with exclusion of conflict-of-law rules. The parties have agreed that the UN Convention on Contracts for the International Sale of Goods of 11 April 1980 shall not apply to rights and obligations arising from the Contract or in connection therewith.