



EUROPEAN UNION
European Structural and Investing Funds
Operational Programme Research,
Development and Education



Purchase Contract

entered into pursuant to Section 2079 et seq. of Act No. 89/2012 Coll., the Civil Code (hereinafter the "Civil Code")

I. CONTRACTUAL PARTIES:

1. Buyer:

Fyzikální ústav AV ČR, v. v. i.

(Institute of Physics of the Czech Academy of Sciences, a public research institution)

with its registered office at Na Slovance 2

PSČ 182 21 Praha 8,

represented by: prof. Jan Řídký, DrSc. - Director

Registered in the register of public research institutions of the Ministry of Education, Youth and Sports of the Czech Republic

Account number: xxxxxxxxxxxx

Id. No.: 68378271

Tax Id. No.: CZ68378271

(hereinafter the "Buyer")

and

2. Seller:

"Standa" Ltd.

Švitrigailos 4-39, 03222 Vilnius, Lithuania

Reg.No. 120372824 VAT code LT203728219

(Hereinafter the "Seller"; the Buyer and the Seller are hereinafter jointly referred to as the "Parties" and each of them individually as a "Party").

enter, on the present day, month and year, into this Purchase Contract (hereinafter the "Contract")

II. INTRODUCTORY PROVISIONS:

1. The Buyer is the beneficiary of a subsidy from the Ministry of Education, Youth and Sports of the Czech Republic for the project "Advanced designing of functional materials: From mono – to BI – And TRI- chromatic excitation with tailored laser pulses", reg. No. CZ.02.1.01/0.0/0.0/15_003/0000445, within the Operational Programme "Research, Development



and Education” (hereinafter the “**BIATRI Project**”).

2. The objective of the BIATRI Project is to create new research team in the field of the advanced designing of functional materials. This team will be managed by the excellent foreign researcher. To secure the quality of the scientific result it is important to build new laser laboratory. Special emphasis will be put on strategic partnership and cooperation with prestigious international partners. The implementation of the BIATRI project would in addition contribute to the increase of the competitiveness of the centre as well as of the region.
3. For successful implementation of the BIATRI Project, it is also necessary to purchase the Devices (as defined below) in accordance with the Rules for the Selection of Suppliers within the Operational Programme Research, Development and Education.
4. The Seller acknowledges that the Buyer is not, in connection to the subject matter of this Contract, an entrepreneur, and also that the subject matter of this Contract is not related to any business activities of the Buyer.
5. The documentation necessary for the execution of the Contract is
 - a) *Technical Specifications, which forms an integral part hereof as its Annex 1 (hereinafter the “TS”).*
6. The Seller represents that it has all the professional prerequisites required for the supply of the Devices under the Contract, is authorised to perform the Contract and there are no obstacles on the part of the Seller that would prevent the Seller from fulfilling the Contract. The Seller confirms the fact that the Seller is within the meaning of section 5(1) of the Civil Code capable of acting with due care and diligence that is connected with its profession and that, if the Seller does not act with the due care and diligence, it shall be to its disadvantage. The Seller shall not exploit its status as a professional nor its market position to the disadvantage of the Buyer and to achieve obvious and unreasonable imbalance in the mutual rights and duties of the Parties.
7. The Parties declare that accept the “risk of changed circumstances” within the meaning of Sec 1765(2) of the Civil Code.
8. The Parties declare that they shall maintain confidentiality with respect to all facts and information they learned in connection with the Contract or during the performance of the Contract, and the disclosure of such facts or information could cause damage to the other Party. This confidentiality provision does not affect duties of Parties with respect to applicable legislation.

III. SUBJECT OF THE CONTRACT:



1. The subject matter of this Contract is the obligation of the Seller to deliver to the Buyer 3 pieces of laminar air-flow enclosure for 3 optical tables with qualities and technical parameters described in the TS (hereafter the “**Devices**”) in accordance with the terms and conditions of the Contract.
2. The following activities form an integral part of the performance to be provided by the Seller:
 - a) packing and transportation of the Devices to the place of performance, unpacking and checking in the extent specified in the TS,
 - b) preparation of and the handover of the instructions and manuals for users of the Devices.
(The Device and the activities required under para 2 above are hereinafter referred to as the “**Delivery**”).
3. The Buyer shall take over properly and timely delivered Devices and shall pay the Seller the Purchase Price under the terms and conditions of the Contract.
4. The Seller hereby undertakes, under the terms and conditions hereof, to deliver to the Buyer, properly and in timely manner the Devices, to hand over the Devices to the Buyer and to carry out activities specified in paragraph 2 above. The Seller shall ensure the compliance of the Devices with all valid legal, technical and quality standards in the extent specified in the TS, and the Seller shall ensure that the Device shall have a properly issued and valid CE certificate, if applicable.
5. During the performance of the Contract, the Seller shall cooperate with the Buyer and shall follow the instructions of the Buyer unless such instructions contravene the Contract.

IV. OWNERSHIP TITLE:

The ownership right passes to the Buyer upon the signature of the Handover protocol (as is defined below).

V. PURCHASE PRICE AND PAYMENT TERMS

1. The Purchase Price for the Delivery is the maximum price that cannot be exceeded and is EUR 14.600 without value added tax, (hereinafter the “**Purchase Price**”).
2. Unless provided otherwise in this Contract, all the prices in this Contract are exclusive of value added tax.
3. The Purchase Price includes all the costs related with the performance of the Contract, including the cost of transport of the Device to the place of delivery and Warranty up to 1 year, the costs of insurance including unloading until the Delivery, licenses, taxes and fees, etc. The Purchase Price is fixed and shall not be changed.
4. The Purchase Price shall be paid after the signature of the Handover protocol.



5. The Buyer shall pay the Purchase Price on the basis of an invoice issued by the Seller.
6. Invoices shall be payable within thirty (30) days of the date of their delivery to the Buyer. Payment of the invoiced amount means the date of its remitting to the Seller's account. In conformity with the applicable tax regulations of the Czech Republic, the tax documents – invoices issued by the Seller hereunder shall include the following details:
 - the business name/designation and registered office of the Buyer
 - the tax identification number of the Buyer
 - the business name/designation and registered office of the Seller
 - the tax identification number of the Seller
 - the registration number of the tax document
 - the scope and object of the Delivery or Services
 - the date of issue of the tax document
 - the date of the supply or the date of acceptance of the consideration, whichever is earlier, if it differs from the date of issue of the tax document
 - the price
 - the registration number of the Contract, which the Buyer shall communicate to the Seller at his request before the invoice is issued
 - a declaration that the charged price is provided for the purposes of the " Advanced designing of functional materials: From mono – to I –And TRI- chromatic excitation with tailored laser pulses", reg. No. CZ.02.1.01/0.0/0.0/15_003/0000445"

must also comply with any double taxation treaties applicable to the given case.

7. The last invoice in each calendar year must be delivered by the Seller to the Buyer's no later than by December 15 of the given calendar year. If a tax document – invoice does not comply with the payment terms stipulated by the Contract or if it does not comply with the requirements stipulated by law or if it is not delivered to the Buyer by the aforementioned date, the Buyer is entitled to return the tax document – invoice to the Seller as incomplete, or incorrectly issued, for supplementation or issue of a new invoice, as appropriate, within five (5) business days of the date of its delivery to the Buyer. In that case, the Buyer is not in delay in payment of the Purchase price or part thereof or the Price for Services and the Seller shall issue a corrected invoice with a new identical Maturity Period, which shall commence on the date of delivery of the corrected or newly issued tax document – invoice to the Buyer.
8. The Buyer's invoicing details are set out in Art. I hereof.

VI. TIME OF PERFORMANCE OF THE THE CONTRACT:

1. The Seller shall deliver the Device to the place of delivery within 9 weeks from the signature of this Contract including the time in transit.
2. The Seller acknowledges that the deadlines stated in this article are of essential importance to the Buyer with respect to the timeline of the BIATRI Project and with respect to the deadline by which



the BIATRI Project is to be implemented, and that the Buyer could incur damage as a result of failure to meet the above stipulated deadlines.

VII. PLACE OF DELIVERY

The place of delivery shall be Hilase centrum, Za Radnicí 828, Dolní Břežany in the Central Bohemian Region in the Czech Republic.

VIII. HANDOVER OF THE DEVICE

1. The Devices shall be at the place of delivery handed over on the basis of handover protocol, which shall contain the following information:
 - identification of the Seller, the Buyer and all subcontractors, if there are any,
 - description of the Devices including the list of individual items of the Devices,
 - the list of defects and deficiencies of the Devices, if there are any, and the deadlines for their removal,
 - the signature and the date of the handover(hereinafter the “**Handover protocol**”).
2. Instructions and manuals shall be attached to the Handover protocol.
3. The delivery of each Device marks the passage of the risk of damage to each Device from the Seller on the Buyer; however, this passage of risk of damage does not in any manner prejudice the Seller’s liability for damage due to the defects of each Device.
4. The Buyer shall not be obliged to take over the Devices with defects or deficiencies, regardless of the fact that such defects or deficiencies may not compromise the functionality and use of the Devices. Should the Buyer not exercise its right not to accept the Devices even when manifesting defects or deficiencies, the Parties shall list these in the Handover Protocol, including the manner and deadline for their removal. Should the Parties not specify a deadline for the removal of defects or deficiencies in the Handover protocol, then these must be removed within 14 days from the date of the handover.

IX. WARRANTY

1. The Seller shall provide the warranty for each Device for a period of 12 months.
2. The warranty period shall commence on the date of the signature of the Handover Protocol. However, if the Device is taken over with defects or deficiencies, the warranty period shall commence on the date of the removal of the last defect or deficiency by the Seller.



3. If the Device which contains its own warranty documents then the warranty period shall be the period specified in such documents, unless does not exceed the warranty period stipulated in the Contract.
4. The Buyer shall raise a claim for removal of a defect of the Devices without undue delay after discovering the defect, but not later than on the last day of the warranty period, by means of a written notice sent to the Seller's authorised representative for technical matters set out herein (hereinafter the „**Warranty Claim**“). An email is considered to be an adequate way to initiate a warranty claim. Warranty Claim sent by the Buyer on the last day of the warranty period shall be deemed to have been made in time.
5. In the Warranty Claim the Buyer shall describe the defect and the manner in which the defect is to be removed. The Buyer is entitled to:
 - request the removal of defects by substitute delivery, or
 - request that the defects are repaired, or
 - request an appropriate discount on the Purchase Price.

The choice among the above specified claims shall be made by the Buyer.

6. The Seller agrees to remove the defects of the Devices free of charge.
7. Defects must be removed within the period of fourteen (14) days from the date, on which the Warranty Claim was notified to the Seller, at the latest, unless the Buyer and the Seller agree otherwise.
8. The Seller shall remove defects of the Devices within periods stated in the Contract also in the instances when the Seller is of the opinion that he is not liable for such defects. In cases when the Seller will not recognize the defect and the Buyer will not agree with such conclusion, the validity of the Warranty Claim shall be ascertained by an expert, which is to be commissioned by the Buyer but on which the Supplier also must agree. In the event the expert declared the Warranty Claim as justified, the Seller shall bear the costs of the expert's assessment. If the Warranty Claim is raised unjustly (according to expert's assessment), the Buyers shall reimburse the Seller all reasonably incurred costs associated with removing the defect.
9. The Parties shall execute a record on removal of the defect, in which they shall confirm that the defect was removed. The warranty period shall extend by the time that expires from the date of exercising the Warranty Claim until the defect is removed.
10. In case the Seller fails to remove the defect within the time period set out in the Contract, or within other period as may be agreed by the Parties, or in case the Seller refuses to remedy the defect, the Buyer shall be entitled to have the defect removed at his own cost, and the Seller shall be



obliged to compensate the Buyer for all reasonably incurred costs associated with removing the defect within 30 days of the Buyer's request to do so. Under the condition that the repair was professionally done, the scope and length of the warranty remains unaffected by this provision.

11. The warranty shall not cover defects caused by unprofessional handling, non-compliance with the manufacturers' rules of operation and maintenance of equipment accepted by the Buyer from the Seller upon handover, or those of which the Seller advised the Buyer in writing. The warranty shall also not apply to defects caused by intentional conduct.
12. Parties exclude application of the section 1925 (the sentence behind semi-colon) of the Civil Code.
13. The Seller shall provide to the Buyer technical support (consultation of operational, maintenance and other issues regarding the Device) free of charge during 12 month warranty period on the phone no.: +37052651474

X. CONTRACTUAL PENALTIES

1. In the event the Seller is in delay with performance as stipulated by Art. VI para 1 of this Contract by more than 30 days, the Seller shall pay to the Buyer the contractual penalty in the amount of 0.05% of the Purchase Price for each, even commenced day of delay and for every individual case of delay.
2. In the case where the Seller fails to remove defects within the periods stipulated in the Contract, the Seller shall pay to the Buyer a contractual penalty in the amount of 500.00 CZK for each defect and for each day of delay.
3. If the Buyer fails to pay the Purchase Price or the Price for Services within the deadlines set out in this Contract, the Buyer shall pay the Seller interest on delay in the amount set forth by the law for each day of delay unless the Buyer proves that the delay with the payment of the Purchase Price was caused by late release of the funds by the provider of the support.
4. The obliged party must pay any contractual penalties to the entitled party not later than within 15 calendar days of the date of receipt of the relevant claim from the other party.
5. Payment of the contractual penalties pursuant to this article shall in no way prejudice the Buyer's right to claim compensation for damage incurred by the Buyer as a result of the Seller's breach of obligations to which the penalty applies.
6. Total amount of contractual penalties, which the Buyer is entitled to enforce pursuant to this Contract, shall not exceed 10 % of the Purchase Price.

XI. TERMINATION OF THE CONTRACT



1. This Contract may be terminated by completing the performance required hereunder, by agreement of the Parties or by withdrawal from the Contract on the grounds stipulated by law or in the Contract.
2. The Buyer is entitled to withdraw from the Contract without any penalty if any of the following events occur:
 - a) The provider of the subsidy or any other control body determines that the expenditures or part of the expenditures incurred on the basis of this Contract are ineligible; or
 - b) The financial subsidy for implementation of the BIATRI Project is withdrawn from the Buyer;
 - c) The Seller has materially breached the obligations imposed thereon by the Contract, specifically i) by being delayed with the performance hereunder by more than 3 months, or ii) Device fails to meet technical parameters and qualities or other requirements defined in the TS;
 - d) Insolvency proceedings are initiated against the Seller's assets,
 - e) should it become apparent that the Seller provided information or documents in the Seller's bid, which are not true and which could, therefore, influence the outcome of the Procurement Procedure leading to the conclusion of this Contract (Section 82(8) of the Act).
3. The Seller is entitled to withdraw from the Contract in the event of material breach of the Contract by the Buyer and in case of events outside the control of the Seller (e.g. natural disasters, etc.).

XII. REPRESENTATIVES OF THE PARTIES

1. The Seller has appointed the following authorised representatives for communication with the Buyer in relation to the subject of performance hereunder:

In technical matters:
Sales Engineer Benas Garbinčius,
Email: xxxxxxxxxxxxxxxx,
Phone: xxxxxxxxxxxxxx

2. The Buyer has appointed the following authorised representatives for communication with the Seller in relation to the subject of performance hereunder:

In technical matters: Prof. Dr. Sci. Nadezhda M. Bulgakova, Ph.D., e-mail: bulgakova@fzu.cz



XIII. CHOICE OF LAW

1. This Contract and all the legal relationships arising out of it shall be governed by the laws of the Czech Republic.
2. Any disputes arising out of this Contract or legal relationships connected with the Contract shall be resolved by the Parties amicably. In the event that a dispute cannot be resolved amicably within sixty (60) days, the dispute shall be resolved by the competent court in the Czech Republic based on application of any of the Parties.

XIV. FINAL PROVISIONS

1. The Contract with all annexes represents the entire and complete agreement between the Buyer and the Seller.
2. The Parties agree that the Seller shall not be entitled to set off any part of its receivable, or receivable of its sub-debtor against the Buyer or any of his receivables, unless this Contract stipulates otherwise. The Seller shall not be entitled to assign any receivable arising in connection herewith to a third party. The Seller shall not be entitled to assign any rights or obligations arising to him hereunder or any of its parts to third parties.
3. The Seller shall:
 - duly archive all written material prepared in connection with the execution of this Contract and to provide access to the Buyer to these archived documents until 2027. The Buyer shall be entitled to take possession of these documents after ten years from the completion of the Contract from the Seller free of charge;
 - cooperate during financial inspections carried out in accordance with Act 320/2001 Coll., on Financial Inspections, as amended, i.e. to allow the Managing Authority of the Operational Program Research, Development and Education (hereinafter the "Sponsor") to access also those portions of the bid submitted within the Procedure, the Contract, Orders and related documents which may be protected by special legal regulation, given that all requirements set forth by legal regulation with respect to the manner of executing such inspections will have been observed; the Seller shall bind any of its sub-contractors to comply with this obligation accordingly.
4. In the event that any of the provisions of this contract shall later be shown or determined to be invalid, putative, ineffective or unenforceable, then such invalidity, putativeness, ineffectiveness or unenforceability shall not cause invalidity, putativeness, ineffectiveness or unenforceability of the Contract as a whole. In such event the Parties undertake without undue delay to subsequently clarify any such provision using Sec 553(2) of the Civil Code, or to replace after mutual agreement



such invalid, putative, ineffective or unenforceable provision of the Contract by a new provision, that in the extent permitted by the laws and regulations of the Czech Republic, relates as closely as possible to the intentions of the Parties to the Contract at the time of creation hereof.

5. This Contract becomes valid and effective as of the day of its execution by the authorised persons of both Parties.
6. This Contract may be changed or supplemented solely in writing.
7. This Contract is drawn up in English language in four (4) counterparts, each of which is deemed to be the original. Each Party to the Contract shall receive two (2) counterparts.
8. The following Annexes form an integral part of the Contract:
Annex No. 1: Technical Specifications (TS);

In case of any discrepancies between this Contract and its annexes, the provisions of this Contract shall prevail. In case of any discrepancies between Annex No. 1 and the other annexes of this Contract, the provisions of Annex No. 1 shall prevail.

9. The Parties, manifesting their consent with the entire the Contract, affix their signatures below.

In
Seller:

In
Buyer:

Name:
Position:

Name:
Position:



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Annex No. 1: Technical Specifications (TS);

The content is the subject to the trade secret.