**SHIPBUILDING**

**CONTRACT**

**No. S/ŘVC/063/OSP/KuP/2023**

**No. ZMS 18-32**

**VESSEL SLAPY**

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**CONTRACT**

Between:

**Czech Republic - Waterways Directorate of the Czech Republic**

Organisational part of the state established by the Ministry of Transport by ministry decision No č. 849/98-KM on 12/3/1998 (Zřizovací listina č. 849/98-MM ze dne 12.3.1998, ve znění Dodatků č.1., 2., 3., 4., 5., 6., 7., 8., 9., 10., 11. a 12.)

Registered office address: Czech Republic,

nábřeží L. Svobody 1222/12, 110 15 Praha 1

Identification No: 67981801

Tax ID: CZ67981801

Person authorised to

represent the PURCHASER: Ing. Lubomír Fojtů, director

Bank: xxxx, pobočka xxxx

BIC (SWIFT): xxxx

Bank account: IBAN: xxxx

hereinafter called the “PURCHASER”

and

**Zeeland Maritime Services B.V.**

a company organized and existing under the laws of The Netherlands

Registered office address: The Netherlands, Zeeland Maritime Services B.V., Wemeldinge (Oostelijke Kanaalweg 20)

Company ID / Tax ID: 69897697 / NL858057220B01

Person authorised to

represent the PURCHASER: xxxx

Bank: xxxx

BIC (SWIFT): xxxx

Bank account: IBAN: xxxx

hereinafter called the “CONTRACTOR”,

IT IS HEREBY AGREED AND STIPULATED AS FOLLOWS:

ARTICLE 1: SUBJECT OF CONTACT

1. VESSEL's Description and Main Characteristics

In case of a written request from the PURCHASER the CONTRACTOR undertakes to build at the CONTRACTOR's yard (hereinafter called the "Shipyard") and to deliver to the PURCHASER, who orders and undertakes to accept delivery of

A bunker tanker vessel named **SLAPY**

hereinafter called the "VESSEL", subject to and in accordance with this CONTRACT, Initial technical specification and General arrangement plan (together hereinafter called the "SPECIFICATIONS"), which form an integral part of this CONTRACT, and attached to this CONTRACT.

**The CONTRACTOR shall not be entitled to start the building of the VESSEL “SLAPY”, to deliver this VESSEL or to any payment or other claim under this CONTRACT unless the CONTRACTOR has received a prior written notice from the PURCHASER to start the building of the VESSEL “SLAPY”.**

In the event of any conflict between this CONTRACT and the "SPECIFICATIONS" the provisions of this CONTRACT shall prevail. In the event of any conflict between the "SPECIFICATIONS" and the General Plan(s) the provisions of the "SPECIFICATIONS" shall prevail.

Notwithstanding the above, it is understood that the foregoing "SPECIFICATIONS" and General Plan(s) are complementary and that everything contained in the General Plan(s) and not mentioned in the "SPECIFICATIONS" and vice versa is to be understood as included in both the foregoing vessels' definition.

The VESSEL shall have the dimensions and characteristics as the "SPECIFICATIONS".

This CONTRACT for the shipbuilding of the VESSEL is part of an investment project „Servisní plavidla Praha, Slapy, Orlík“ – "Bunker Supply Vessels Prague, Slapy, Orlík" (hereinafter also referred to as "PROJECT") which is an investment project for the development of inland waterway infrastructure.

The CONTRACTOR shall first build and deliver the VESSEL "PRAHA". In case of a written request from the PURCHASER, the CONTRACTOR shall build and deliver the VESSEL "ORLÍK" or "SLAPY" as a second VESSEL (in accordance with the PURCHASER 's request). In the event of a further written request by the PURCHASER, the CONTRACTOR shall build and deliver the remaining of the VESSEL “ORLÍK” or “SLAPY” as the third VESSEL.

In accordance with this CONTRACT the PURCHASER shall be entitled to request the building of the second VESSEL, either the VESSEL “ORLÍK” or “SLAPY”, not earlier than 4 months after the start of building of the first VESSEL "PRAHA" and not later than 18 months after the start of building of the first VESSEL "PRAHA". The PURCHASER may agree with the CONTRACTOR that the building of the second vessel may start earlier than 4 months after the start of building of the first VESSEL "PRAHA".

In accordance with this CONTRACT the PURCHASER shall be entitled to request the building of the third VESSEL, either the VESSEL “ORLÍK” or “SLAPY”, not earlier than 4 months after the start of building of the second VESSEL and not later than 18 months after the start of building of the second VESSEL. The PURCHASER may agree with the CONTRACTOR that the building of the third vessel may start earlier than 4 months after the start of building of the second VESSEL.

**The CONTRACTOR is aware that the PURCHASER has the right not to require the building and delivery of the VESSEL "SLAPY" under this CONTRACT.**

1. Yard Number

The VESSEL shall, for the purpose of identification only, be known as Yard Number ZMS 18-32.

1. VESSEL's Registration and Classification

The VESSEL shall comply with the laws, rules, regulations and enactments published and in force as stated in the "SPECIFICATIONS".

The VESSEL shall be built under the survey of the Classification society Lloyd’s Register of Shipping. The VESSEL shall also comply with the rules, regulations and requirements of other relevant authorities as set out in the "SPECIFICATIONS" (hereinafter the "Regulatory Bodies").

Classification, survey and testing charges relating to the CONTRACTOR's obligation and items of supply under this CONTRACT shall be for the account of the CONTRACTOR. The registration of the VESSEL shall be carried out by the PURCHASER and the costs and expenses thereof shall be for PURCHASER's account.

1. Decisions of the Classification Society

The decisions of the Classification Society shall be final and binding on both contracting parties as to the VESSEL's compliance or non-compliance with the rules and regulations, observance of which is to be controlled by the Classification Society.

1. Subcontracting

The CONTRACTOR is entitled to ensure the performance of the subject of this CONTRACT or its part through a subcontractor (third parties). The subcontractors shall be identified by the CONTRACTOR's prior written notification to the PURCHASER, together with an indication of the parts of the CONTRACT which will be performed by the subcontractors.

ARTICLE 2: INSPECTION AND APPROVAL

1. Inspection during Construction

The PURCHASER shall have the right to have the VESSEL and all engines, machinery, outfit and equipment intended there for inspected during construction by one or more authorized representative(s)(jointly the "Representative") to whom the CONTRACTOR shall grant free access for such purposes during working hours to the VESSEL and to the Shipyard and workshops, save and except areas which are controlled for purposes of national security. The CONTRACTOR will obtain for the PURCHASER's right of access to Subcontractor's premises as far as possible. The inspection will be at the PURCHASER's risk and expense.

The CONTRACTOR will make available for the PURCHASER'S Representative appropriate office space at the Shipyard furnished with basic office facilities at CONTRACTOR's costs and expenses.

The PURCHASER's Representative whose name, duties and extent of authority are to be made known in advance, shall observe the works' rules prevailing at the CONTRACTOR's and the SUBCONTRACTOR's premises. He shall address his remarks exclusively to the CONTRACTOR's appointed representative(s) whose name(s) shall be made known to the PURCHASER.

During construction of the VESSEL, the CONTRACTOR shall give the PURCHASER's Representative reasonable advance notice of important tests and inspections in order to enable him to attend. Failure of the Representative to be present at such tests and inspections after due notice shall be deemed to be a waiver of this right to be present.

Should the PURCHASER elect to use as the Representative to firms or persons other than or in addition to its full-time employees, different or in addition to the ones established in the provisions of this CONTRACT, admittance of such firms or persons and their duties shall be subject to the CONTRACTOR's prior written approval, which shall not be unreasonably withheld.

1. Approval

The CONTRACTOR shall send to the PURCHASER (or its Representative) for approval three hardcopies and digital files in pdf format of the drawings and the technical information of machinery and equipment, for which such approval is required by the "SPECIFICATIONS". One of the three copies so submitted shall be returned, either approved, or supplemented with remarks and amendments, to reach the CONTRACTOR within 20 days from the date of receipt by the PURCHASER or within 24 days after dispatch by the CONTRACTOR, whichever is the sooner, and if this is not done within this time limit the drawings and technical information shall be regarded as approved, unless additional time is specifically requested in writing by the PURCHASER and agreed in writing by the CONTRACTOR.

If the drawings and technical information are returned to the CONTRACTOR within the said time limit supplemented with remarks and amendments by the PURCHASER and if the said remarks and amendments are not of such a nature or extent as to constitute modifications under Article 3 hereof, then the CONTRACTOR shall start or continue production on the basis of the corrected or amended drawings and technical information. In case of any dispute concerning the drawings and/or technical information which cannot be solved by negotiations the dispute shall be referred to expert's assessment in accordance with Art. 15(b) of the CONTRACT. Any delay caused by such dispute shall be Permissible Delay (see Art. 6).

ARTICLE 3: MODIFICATIONS

1. PURCHASER's Modifications

The PURCHASER may, in accordance with Section 222 of Act No. 134/2016 Coll., on Public Procurement, request the CONTRACTOR in writing to make modifications to the "SPECIFICATIONS" and the CONTRACTOR will agree to carry out such modifications provided that such modifications or an accumulation of such modifications will not in the CONTRACTOR's judgment adversely affect the CONTRACTOR's planning or programme in relation to the CONTRACTOR's other commitments and provided that the CONTRACTOR and the PURCHASER fully agree expressly and in writing within 10 days from the despatch of the CONTRACTOR's notification upon the:

(a) adjustment of price

(b) adjustment of delivery date

(c) any other adjustment of the CONTRACT, and/or the "SPECIFICATIONS".

With regard to Section 222 of Act No. 134/2016 Coll., on Public Procurement, the PURCHASER may not request a modifications that would constitute a substantial change in the commitment of this CONTRACT.

The PURCHASER will keep modifications to the "SPECIFICATIONS" to a minimum. The CONTRACTOR has the right to continue production on the basis of the "SPECIFICATIONS" until agreement has been reached as above stated.

1. CONTRACTOR'S Modifications

The CONTRACTOR may seek the PURCHASER's approval to make changes to the vessel as defined by the "SPECIFICATIONS". These proposed changes will be dealt with in the manner as described in paragraph (a) of this Article.

1. Modifications by Regulatory Bodies and Classification Society

In the event that after the CONTRACT become effective any modifications, deletions or additions are made to the laws, rules, regulations and enactments applicable to the VESSEL or their interpretation or their application (including withdrawal of provisional approvals of the Classification Society and/or additional requirements of said Society as compared with the basis of this CONTRACT and/or similar measures of other bodies as referred to in Article 1, paragraph (c) ), and such modifications, deletions or additions are compulsory for the VESSEL, the CONTRACTOR will affect them and will state the (a) adjustment of price (b) adjustment of delivery date (c) any other adjustment of the CONTRACT and/or the vessel as defined by the "SPECIFICATIONS" all as may be appropriate in the circumstances. Any such adjustment of the Delivery date shall constitute Permissible Delay.

The adjustment of the Delivery Date shall include any adjustment needed by reason of delay caused by the interpretation or consideration of modifications, deletions or additions.

However, it remains the responsibility of the CONTRACTOR to communicate timely and correctly with the Classification Society and/or to present a solution for modifications, deletions or additions.

The CONTRACTOR may require that the PURCHASER shall first apply for a formal waiver of compliance with such modifications, deletions or additions from the Classification Society or Regulatory Bodies authorized to make such modifications by whom the modifications, deletions or additions have been promulgated should the PURCHASER consider that the operation of the VESSEL in its intended service would so permit of such waiver. In such agreement the CONTRACTOR will fix a time limit after which, if the waiver has not yet been obtained, the CONTRACTOR will go on with the required modifications, deletions or additions. Any additional cost caused by the application for such waiver whether or not obtained shall be for account of the PURCHASER and the date of delivery of the VESSEL shall be extended by the time necessary as a result of the application for waiver.

In the event that modifications, deletions or additions referred to in this paragraph (c) above are not compulsory for the VESSEL, such modifications, deletions or additions shall not be effected unless the PURCHASER requests them to be made under the provision of paragraph (a) above.

1. Payment of Adjustments of Price

The adjustments of price made under paragraphs (a) and (b) and (c) above shall be paid by the PURCHASER in accordance with paragraph (d) of Article 7 in so far as they represent an increase in the price. If the adjustment represents a saving in cost such adjustment shall be credited by the CONTRACTOR to the PURCHASER against the payments by the PURCHASER until such credit is extinguished.

1. Information

The CONTRACTOR shall furnish reasonable information relating to the adjustments of price and other effects of modifications referred to in this Article.

ARTICLE 4: TRIALS

1. Notice

The CONTRACTOR shall before delivery, with not less than 10 days written notice to the PURCHASER notify the time and place for the trial run for the VESSEL and the PURCHASER shall promptly acknowledge receipt of such notice, The PURCHASER shall have the right to have its Representative on board the VESSEL to witness the trial run, Failure in attendance of the Representative at the trial run without any valid reason after due notice to the PURCHASER shall be deemed to be a waiver by the PURCHASER of its right to be present. In such case the PURCHASER shall be obligated to accept the results of the trial run on basis of a certificate of the CONTRACTOR confirmed by the Classification Society stating the results of the trial run,

1. Weather Conditions

The trial run shall be carried out under favorable weather conditions, as described in the SPECIFICATIONS. Any delay in delivery caused by delay of the trial run due to unfavorable weather conditions shall be Permissible Delay,

1. Carrying Out

The trial run shall be carried out in the presence of representatives from the Classification Society and/or Regulatory Bodies, and shall be conducted in a manner and to an extent as is stated in the "SPECIFICATIONS" and shall prove the VESSEL's proper functioning and fulfillment of the performance requirements for the trials set forth in this CONTRACT,

Expenses, except those of the PURCHASER's Representative and its assistant(s) in connection with the trial run, shall be for the account of the CONTRACTOR. The necessary crew expenses shall be for the account of the CONTRACTOR,

1. Method of Acceptance

Upon completion of the trial run and when the trial results are available, and if the CONTRACTOR considers the results thereof demonstrates that the VESSEL conforms to the CONTRACT and the "SPECIFICATIONS", the CONTRACTOR shall give the PURCHASER a written notice of completion stating that the VESSEL is ready for Delivery. The PURCHASER shall upon receipt of this notice and the test results notify the CONTRACTOR in writing of its acceptance of the VESSEL being in conformity with the CONTRACT and the "SPECIFICATIONS" or notice that the VESSEL being in non-conformity with the CONTRACT and the "SPECIFICATIONS".

If the results of the trial run demonstrate that the VESSEL or any part or equipment thereof does not conform to the requirements of the CONTRACT or/and the "SPECIFICATIONS", the CONTRACTOR shall take all necessary steps to rectify such non-conformity. If necessary, the CONTRACTOR shall for its own account carry out a further trial run to ascertain that the VESSEL conforms to the terms of the CONTRACT and the "SPECIFICATIONS". Upon demonstration by the CONTRACTOR that the deficiencies have been corrected, a notice thereof stating that the VESSEL is ready for delivery shall be given to the PURCHASER, who shall then upon receipt of such notice together with the new test results notify the CONTRACTOR of its acceptance.

If the PURCHASER for any reason rejects the VESSEL, the PURCHASER shall in its notice of rejection give particulars of the reason in such detail as can reasonably be expected. The PURCHASER shall be obliged to take delivery of the VESSEL if it is in conformity with the CONTRACT and the "SPECIFICATIONS", unless there are any deficiencies or conditions or recommendations imposed by the Classification Society and/or Regulatory Bodies preventing the VESSEL to carry out its intended operation. If the deficiencies or the conditions/recommendations are of minor importance and do not affect class or the operation of the VESSEL in its intended trade the CONTRACTOR may require the PURCHASER to take delivery of the VESSEL provided the CONTRACTOR undertakes for its own account to remedy the deficiency or fulfil the requirement as soon as possible, however no later than 6 months from the Delivery Date.

If the CONTRACTOR disputes the rejection by the PURCHASER, the case shall be submitted for final decision by the court in accordance with Art. 15 hereof.

1. Effect of Acceptance

Acceptance of the VESSEL as provided above, shall be final and binding and shall preclude the PURCHASER from refusing formal delivery on basis of any alleged deficiency in any parts of the VESSEL which were tested during the trial run, provided all other procedural requirements for delivery have been met.

ARTICLE 5: GUARANTEE FOR SPEED

Subject to the proviso contained in Article 7 (e) the rights and obligations of the CONTRACTOR and PURCHASER in regard of VESSEL's speed are delimited as follows.

1. Speed

For the purpose of determining the VESSEL's actual trial speed, the speed of the VESSEL had been carried out in the conditions specified in SPECIFICATIONS, the actual trial speed so computed shall be compared with the trial speed under SPECIFICATIONS and if the actual trial speed shall be the lesser, for causes for which the CONTRACTOR is liable, the CONTRACTOR shall pay to the PURCHASER as liquidated damages the following amounts:

* for the first 0,5 km p/h of less speed: nothing
* for each successive whole 0,5 km p/h thereafter (fractions being disregarded) of less speed: should the deficiency in VESSEL's speed for causes for which the CONTRACTOR is liable be more than 2,5 km p/h, then the PURCHASER shall have the option to terminate this CONTRACT, with the consequences provided for in Article 11, save and except that the CONTRACTOR shall have the right to remedy the deficiency and repeat the trial within a maximum period of 1 month.

ARTICLE 6: DELIVERY OF THE VESSEL

1. Vessel under construction (‘schip in aanbouw’)

The VESSEL under construction (‘schip in aanbouw’) shall be handed over into ownership to the PURCHASER as soon as the keel laying has taken place or the Vessel under construction is ready for registration in the ship register of the country where shipyard is located as ‘schip in aanbouw’, whichever comes first. As of this moment, the Vessel under construction is and shall remain property of the PURCHASER.

In the event that the country where shipyard is located does not allow registration of the keel or the ‘schip in aanbouw’, the keel or the ‘schip in aanbouw’ shall be registered in a foreign register agreed between the CONTRACTOR and the PURCHASER, if possible.

1. Time and Place of Delivery

The CONTRACTOR shall deliver and release the VESSEL to PURCHASER in to **the fairway of Vltava waterway in Prague** or other agreed place(the “Delivery Place”)**.** The expenses for deliver and release of the VESSEL in theDelivery Place are included in the Contract Price as per Article 7 of this CONTRACT.

The CONTRACTOR shall start building the VESSEL within 1 month from effective date of this CONTRACT.

The CONTRACTOR shall deliver and release the VESSEL in the Delivery Place within 19 months (the “Delivery Date”) from effective date of this CONTRACT.

The CONTRACTOR shall provide to PURCHASER with the necessary assistance in connection with the deliver and release of the VESSEL for registration the VESSEL in the Czech ship register.

The Delivery Date as set out above shall be subject to extension by the cumulative amount of all Permissible Delays as provided for in this CONTRACT.

The PURCHASER shall take possession of the VESSEL immediately upon delivery and acceptance.

On delivery and release of the VESSEL to the PURCHASER every responsibility for the safety and generally for the condition of the VESSEL is transferred to the PURCHASER, and thereafter all responsibilities on the part of the CONTRACTOR shall cease with the exception of the obligations in Article 4 (d) hereof and with the exception of the guarantee obligations provided for in Article 12 hereof.

The delivery of the VESSEL shall include all the essentials to enable operation of the VESSEL. In connection with the delivery of the VESSEL, the CONTRACTOR shall provide training of the VESSEL crew for control, operation and maintenance of the VESSEL in expected range of 5 days. The PURCHASER is entitled to request additional training of its crew on each VESSEL beyond the expected 5 days, if required. The remuneration for each additional day of training shall be set at the same rate as specified by the CONTRACTOR under Article 7 (b) (E) of this CONTRACT.

1. Delivery Documentation

Upon delivery and acceptance of the VESSEL, the CONTRACOR shall deliver to the PURCHASER the following documents, which shall accompany the **Protocol of Delivery and Acceptance:**

Protocol of Trials of the VESSEL.

**All Certificates** including the **Builder’s Certificate** required to be furnished upon delivery of the VESSEL pursuant to this CONTRACT. It is agreed that if the Classification Certificate and/or other Certificates are not available at the time of delivery of the VESSEL, provisional clean Certificates shall be accepted by the PURCHASER. The CONTRACTOR shall provide the PURCHASER with the formal Certificates as promptly as possible after such formal Certificates have been issued. The CONTRACTOR shall provide the PURCHASER with all Certificates and documents necessary for the registration of the VESSEL in the Czech ship register and for the operation of the VESSEL in the Czech Republic, except for documents that only the PURCHASER is entitled to obtain.

**Declaration of Warranty** of the CONTRACTOR that the VESSEL is delivered to the PURCHASER free and clear of any and all burdens, in the nature of imposts, taxes or charges imposed by the city, state or country of the place of delivery, as well as of all liabilities arising from the construction or operation of the VESSEL or trial runs.

Drawings and Plans pertaining to the VESSEL as was delivered with the “SPECIFICATIONS”.

Commercial Invoice.

For the purpose of servicing, repairing or modifying the VESSEL, the CONTRACTOR shall provide the PURCHASER with all the implementation documentation of the building of the VESSEL, plans and working drawings, technical descriptions, calculations, test results and other data information and documents.

A protocol of delivery and acceptance will be signed by the CONTRACTOR and the

PURCHASER.

1. Liquidated Damages and Premiums

Should the VESSEL and related Delivery Documentation, for causes for which the CONTRACTOR is liable not be delivered on the Delivery date, as extended for Permissible Delays under the terms of this CONTRACT, the CONTRACTOR shall subject to the proviso contained inArticle 7 pay to the PURCHASER as liquidated damages an amount € 0,1 % of the CONTRACT price for each working day of delay, up to maximum of € 30 % of the CONTRACT price.

Should the delay in delivery for causes for which the CONTRACTOR is liable exceed 90 days from the date set forth under paragraph above as extended for permissible extensions under the terms of this CONTRACT, the PURCHASER, shall have the option to rescind this CONTRACT with the consequences provided for in Article 11.

1. Force Majeure

“Force Majeure” will mean force majeure in the country of the shipyard or in the country of deliver of the VESSEL that has begun to affect after the effective date of this CONTRACT: Acts of God; engagement in war or other hostilities or preparations therefore; civil war; civil commotion’s; riots or insurrections; requirements of civil or military authorities; blockades; embargoes; vandalism; sabotage; epidemics; strikes; lockouts or other labour disturbances affecting the shipbuilding industry as a whole and not only the CONTRACTOR; earthquakes; landslides; floods; drought that limits navigability of the waterway necessary for vessels delivery; collisions (with the exception of collision for which the CONTRACTOR is liable); and any similar or comparable circumstances which are unforeseeable, insurmountable and absolutely outside the control of the CONTRACTOR.

Should the CONTRACTOR be prevented from having the VESSEL constructed or delivered by the date set forth under article 6a owing to Force Majeure as defined in the foregoing and in any such case the delivery of the VESSEL shall be postponed by the number of working days of delay incurred by the CONTRACTOR in completing or delivering the VESSEL in consequence of any such causes.

Delays occurring simultaneously will count as one delay only.

Within five working days after the CONTRACTOR becoming aware of the extent of an event of force majeure the CONTRACTOR shall notify the PURCHASER in writing thereof indicating the extent of the delay so caused. In the absence of such notification, the CONTRACTOR shall have no recourse to the Force Majeure exception.

1. Permissible Delay

“Permissible Delay” means any delay by reason of events which permit adjustment or postponement of the Delivery Date under the terms of the CONTRACT.

ARTICLE 7: PRICE

1. Contract Price for VESSEL SLAPY

The CONTRACT price is **2.795.000** excl. VAT **EUR** (in words: two million seven hundred ninety five thousand excl. VAT EUR). The CONTRACT shall build, deliver and release the VESSEL in the Delivery Place and provide all related services or supplies in accordance with the procurement documentation, with the "SPECIFICATIONS" and with the CONTRACT for this Contract Price.

1. Payment

Payment of the CONTRACT price shall be made by the PURCHASER to the CONTRACTOR as follows:

A 25 % of CONTRACT Price without expert training after the PURCHASER has received the Keel Lying certificate

B 45 % of CONTRACT Price without expert training after the PURCHASER has received the Linking of sections certificate (hull, tanks, accomodation is welded and painted, ready for launching)

C 25 % of CONTRACT Price without expert training after the PURCHASER has received the Full provisional acceptance certificate

D 5 % of CONTRACT Price without expert training as final payment on delivery and release of the Vessel according to art. 6(b) of this shipbuilding contract

E 500 EUR per working day for the expert training of the crew for control, operation and maintenance performed by PURCHASER of the VESSEL, in expected range of 5 days

Payment could be extended (reduced) by the price verification, counted like EU 27 Harmonised index of consumer prices (HICP) between the basic date 30.1.2024 (28 days before the date of submission of the public procurement) and the last month before the issue of the certificate for the payment, published by EUROSTAT.

1. Payment Procedures

The CONTRACTOR shall notify the PURCHASER at least ten (10) days in advance prior to sending an invoice.

The basis for payment is the INVOICE - a tax document (hereinafter referred to as the INVOICE). The due date of the INVOICE is 60 days from the day when it was demonstrably delivered to the PURCHASER. The right to invoice arises for the CONTRACTOR on the day of the taxable performance, ie on the day of the execution and handover of the faultless WORK or its agreed part in the manner agreed in the CONTRACT.

The PURCHASER is not in arrears with the payment of the INVOICE if the amount was sent from the PURCHASER's account to the CONTRACTOR's account no later than on the last day of its due date. The INVOICE must meet the requirements pursuant to Section 435 of Act No. 89/2012 Coll., as amended, the requirements of the tax document pursuant to Section 29 of Act No. 235/2004 Coll., as amended, as well as the ISPROFOND number and full name, number and whole name of the PROJECT, registration number and title of the CONTRACTOR's CONTRACT, data on the total invoiced amount, designation of financial institutions of both contracting parties and their account numbers, due date according to the CONTRACT, name and signature of the person responsible for issuing the invoice, CONTRACTOR's stamp. The annex to the INVOICE will be accompanied by a document proving the fulfillment of the condition for issuing an INVOICE according to the CONTRACT.

INVOICES in paper form must be delivered to the address of the PURCHASER's registered office. INVOICES in electronic form must be delivered via the information system of data boxes to the PURCHASER's data box or by e-mail provided with a recognized electronic signature or electronic seal according to European Union Regulation No. 910/2014 on electronic identification and trust services for electronic transactions in the European internal market (eIDAS) to the address of the PURCHASER's electronic registry.

The PURCHASER is entitled to return to the CONTRACTOR before the due date without payment an INVOICE which does not have the requisites specified in this Article or has other defects in content stating the reason for return.

The CONTRACTOR is obliged to correct the INVOICE or issue a new one. With the justified return of the INVOICE, the original due date ceases to run. The new due date runs again from the date of delivery of the corrected or newly issued INVOICE.

All payments to the CONTRACTOR are to be made in **EURO’s** at a bank to be designated by the CONTRACTOR without any deduction whatsoever on the dates on which the payments are due.

Expenses for remitting payments and any other expenses connected with such payments shall be for the account of the PURCHASER.

1. Payment for Modifications

The sums due for modifications under Article 3 of this CONTRACT shall be paid as follows:

100% on the date of delivery and release of the VESSEL according to art. 6 (b) of this CONTRACT as part of the delivery installment.

Whenever the due price for modifications exceeds € 10.000,- CONTRACTOR and PURCHASER will agree on a term payment.

1. Payment for Liquidated Damages

Any amounts for liquidated damages under Article 5 and 6 shall be calculated and determined on delivery of the VESSEL and the balance (of one over the other) shall be paid to the party entitled there to on the VESSEL's delivery, provided that, if the balance exceeds 30 % percent of the CONTRACT price in paragraph (a) of this Article then the payment shall be equal to 30 % percent of this said price.

The liquidated damages shall not exclude the right to demand additional indemnification.

1. Prompt Payment

The PURCHASER shall not generally delay payment to the CONTRACTOR. In the event that the CONTRACTOR is in default in the payment of the liquidated damages under Article 5 and 6 of this CONTRACT or in default in the payment of other claims of the PURCHASER, then the PURCHASER shall be entitled to set-off the liquidated damages whit the payments pursuant to Article 7 (b) of this CONTRACT or with other counterclaims of the CONTRACTOR.

1. Advance Payment

The PURCHASER may make an advance payment to the CONTRACTOR. Maximum amount of advance payment is 20 % of the CONTRACT price. Guarantee for advance in the form of a bank guarantee or guarantee insurance must be in paper form or in the form of an electronic original in the form of a model included in the tender documents. A condition for the granting of an advance payment is the submission of the CONTRACTOR’s request for an advance payment and the submission of a Guarantee for an advance payment by the CONTRACTOR to the PURCHASER in the minimum amount of the requested advance payment, with the following:

1. The Guarantee for an advance payment must be effective at the latest on the day it is handed over to the PURCHASER.
2. The guarantee for the advance must be issued as irrevocable and unconditional, whereby the body issuing the guarantee undertakes to perform without objection and at the first request of the creditor.
3. The original advance guarantee must be delivered to the PURCHASER before payment of the advance payment to the CONTRACTOR.
4. If the terms of the guarantee specify its expiry and the advance payment has not been refunded within 28 days before the expiry date, the CONTRACTOR must extend the validity of the guarantee until the advance payment is returned. The amount of the guarantee for the advance may be progressively reduced by the amount returned by the CONTRACTOR as stated in the payment receipts.
5. If the advance payment has not been paid prior to the issuance of the Protocol of Delivery and Acceptance the total balance remaining at that time of the issuance of the Protocol of Delivery and Acceptance shall become immediately due and payable by the CONTRACTOR to the PURCHASER.
6. In the event that the CONTRACTOR does not refund to the PURCHASER an amount equal to the non-refundable part of the advance payment the PURCHASER may claim from the Guarantee for an advance payment for the amount not yet refunded.
7. The PURCHASER must return the Guarantee for an advance payment to the CONTRACTOR:
8. within 30 days of the date on which the advance payment repaid in the form of a deduction of the amount confirmed in the interim payment receipts was in full; or
9. within 30 days of receipt of an amount equal to the non-refundable part of the advance payment from the Contractor; or
10. within 30 days after the fulfilment of the guarantee for the advance payment in full.

The advance payment must be refunded in the form of a deduction of the amount certified in the interim payment receipts following the issue of the interim payment confirmation in which the sum of all confirmed interim payments (excluding advance payment) exceeds 70 % (70 %) of the contractual amounts received. These deductions shall be applied in full in all subsequent confirmations of interim payment and to the extent that the advance payment is not refunded. The total value of the advance payment must be repaid at the latest before the issuance of the Confirmation of Acquisition of the Work.’

ATRICLE 8: PROPERTY

1. General Plans, Specifications and Working Drawings

The PURCHASER retains all intellectual property rights on the plans and working drawings, technical descriptions, calculations, test results and other data information and documents concerning the design and construction of the VESSEL.

For the purpose of servicing, repairing or modifying the VESSEL, the CONTRACTOR shall provide the PURCHASER with the necessary plans and working drawings, technical descriptions, calculations, test results and other data information and documents at the latest upon the delivery of the VESSEL. By providing these necessary plans and working drawings, technical descriptions, calculations, test results and other data information and documents, the CONTRACTOR also grants the VESSELowner an indefinite license to use the plans only to service, repair or modify the VESSEL.

1. Property in the VESSEL

As provided for in art. 6 (a) of this CONTRACT, the VESSEL under construction (‘schip in aanbouw’) shall become property of the PURCHASER as soon as the keel laying has taken place or the Vessel under construction is ready for registration in the ship register of the country where shipyard is located as ‘schip in aanbouw’, whichever comes first. As of this moment, the Vessel under construction is and shall remain property of the PURCHASER.

In the event that the country where shipyard is located does not allow registration of the keel or the ‘schip in aanbouw’, the keel or the ‘schip in aanbouw’ shall be registered in a foreign register agreed between the CONTRACTOR and the PURCHASER, if possible.

ARTICLE 9: INSURANCE

The VESSEL and /orsuch parts as shall be constructed and all materials, engines, machinery, outfit and equipment pertaining to this CONTRACT and within the premises of the Shipyard shall immediately tie marked with VESSEL's yard number and shall until delivery of the VESSEL be insured by the CONTRACTOR at CONTRACTOR's expense - policy being in the name of the CONTRACTOR against all risks customarily insured against in shipbuilding industry including trials with the exception of war risks in the country of the shipyard or in the country of deliver of the VESSEL and in accordance with and subject to the terms of the usual construction policy for a total of not less than the amount for the time being paid by the PURCHASER to the CONTRACTOR for the VESSEL. If considered necessary by the CONTRACTOR or if required by the PURCHASER war risks in the country of the shipyard or in the country of deliver of the VESSEL insurance for not less than the CONTRACT price to be effected by the CONTRACTOR at PURCHASER's account up to the date of delivery to the extent that such insurance is obtainable on the London insurance market.

In the event of the VESSEL and / or such parts materials etc. as aforesaid sustaining damage, including war damage, before delivery of the VESSEL then any monies received in respect of any insurance effected under this Article shall be applied by the CONTRACTOR in making good such damages with all due despatch during ordinary working hours in a reasonable and workmanlike manner and the PURCHASER shall not on account of any such damage or any repair thereof be entitled to object to the VESSEL or to make any claim for alleged consequential loss or depreciation.

Underwriters are entitled to settle claims concerning repairable damage to the VESSEL directly with the CONTRACTOR, and make all payments on these claims directly to the CONTRACTOR. The CONTRACTOR shall be allowed additional time equivalent to any delay in delivery caused by any such damage or any repair thereof for which the CONTRACTOR is not liable.

Should the VESSEL from any cause become or be deemed to be at any time a constructive, arranged or compromised total loss under the insurance policy, this CONTRACT shall if not otherwise agreed between the parties thereupon absolutely cease and terminate without any liability whatsoever on the part of the CONTRACTOR.

In the event of such total loss any insurance monies shall be paid to the PURCHASER for reimbursement of the amount paid by the PURCHASER to the CONTRACTOR hereunder; any balance shall belong to the CONTRACTOR. In the event of a total loss for which the CONTRACTOR is liable, the CONTRACTOR is under the obligation to fully compensate the PURCHASER if the insurance monies do not cover the full damage. Under no circumstances shall the CONTRACTOR be liable to replace the VESSEL.

The CONTRACTOR's liability to the PURCHASER in respect of damage - including war damage - or in respect of the constructive, arranged or compromised total loss of the VESSEL, shall not in any event extend further or otherwise than in this Article provided.

ARTICLE 10: DEFAULT BY THE PURCHASER

Should the PURCHASER be in default in payment of any CONTRACT installment and/or other amounts due under this CONTRACT, then the PURCHASER shall pay to the CONTRACTOR - as from the due date - interest thereon at the rate of 0,1 % per annum over 3 months EURIBOR, up to maximum of 30 % of the CONTRACT price. The CONTRACTOR shall only be entitled to the above interest if the PURCHASER fails to pay the payment even within 10 days from the date of receipt of the prior written notice of his default in payment.

After prior written notice to the PURCHASER the CONTRACTOR shall be entitled to one day's postponement of the Delivery Date of the VESSEL for each day of delay in excess of two days in the payment of the aforesaid sums and if the delay exceeds 60 days as from the due date the CONTRACTOR shall have the option to suspend the CONTRACTOR's obligations under this CONTRACT until payment of such sums and interest thereon has been received by the CONTRACTOR.

If the aforesaid delay exceeds 90 calendar days from the due date, the CONTRACTOR, even if it has elected to suspend the work as aforesaid, after prior written notice and failure of the PURCHASER to comply with the obligation within an additional period of 7 days, may have the right to terminate the CONTRACT by giving notice in writing, which may be by e-mail if confirmed by letter, to the PURCHASER about such termination. In this event the CONTRACTOR shall be entitled to recover damages from the PURCHASER in respect of any loss that the CONTRACTOR has suffered by reason of the PURCHASER's default.

Should the PURCHASER fail to take delivery of the completed VESSEL in accordance with the terms of this CONTRACT the amounts due on or related to delivery by the PURCHASER to the CONTRACTOR shall be regarded as having fallen due upon receipt of written notice.

The CONTRACTOR shall inform the PURCHASER about the dates on which the PURCHASER has to deliver its supplies at the Shipyard.

ARTICLE 11: DEFAULT BY THE CONTRACTOR

After prior written notice to the CONTRACTOR the PURCHASER shall be entitled to one day's postponement of the payment of any CONTRACT installment and/or other amounts due under this CONTRACT for each day of delay of the CONTRACTOR default of its obligations under this CONTRACT.

If the aforesaid delay of the CONTRACTOR exceeds 90 calendar days, the PURCHASER, after prior written notice and failure of the CONTRACTOR to comply with the obligation within an additional period of 7 days, may have the right to terminate the CONTRACT by giving notice in writing, which may be by e-mail if confirmed by letter, to the CONTRACTOR about such termination. In this event the PURCHASER shall be entitled to recover damages from the CONTRACTOR in respect of any loss that the PURCHASER has suffered by reason of the CONTRACTOR's default.

ARTICLE 12: GUARANTEE

1. Extent of Guarantee

On delivery of the VESSEL the CONTRACTOR shall be free of all responsibility or liability whatsoever except for the guarantee contained in this Article.

The CONTRACTOR shall guarantee the PURCHASER for a period of 2 years for the VESSEL. The CONTRACTOR shall guarantee the PURCHASER for a period of 5 years for the VESSEL'S coatings specified in Article 3.7 of the SPECIFICATIONS.

The guarantee shall apply only to the work of the CONTRACTOR and of its subcontractors and/or suppliers. The CONTRACTOR's liability shall be limited to the above mentioned obligations as to extent and duration and the CONTRACTOR and/or its subcontractors and suppliers shall have no further liability whatsoever for defects due to normal wear and tear or overloading or due to accidents, fire, improper loading or stowage of the VESSEL, mis-management or negligence in the use and maintenance of the VESSEL.

Replacements and repairs pursuant to the CONTRACTOR's guarantee obligations shall be subject to guarantee in accordance with this article.

If the replacements or repairs under this Article cannot be conveniently made at (one of) the CONTRACTOR's yard(s), the PURCHASER may have carried out elsewhere such repairs and/or replacements; in such a case the CONTRACTOR is discharged from this guarantee and shall reimburse the PURCHASER the documented expenses incurred by the PURCHASER, but such a reimbursement shall not exceed the estimated costs of carrying out the guarantee work at the CONTRACTOR's yard(s) as described above.

In the event that the guarantee period provided by manufacturers or suppliers of various components of machinery, materials, equipment, appurtenances and outfit furnished to the CONTRACTOR and embodied **in** the VESSEL exceeds the aforesaid guarantee period, such extended guarantee rights are to be assigned and made available to the PURCHASER by the CONTRACTOR to the extent possible.

THE CONTRACTOR, at its own cost, is to have the right to investigate the validity of the PURCHASER's claim either by the attendance aboard the VESSEL (without interruption to the operation of the VESSEL) of an accredited representative or, in the event it is practicable to do so after suitable replacement is made, by the removal from the VESSEL and the transportation to the CONTRACTOR's shipyard(s) of the defective part. In case of an unjustified claim by the PURCHASER, PURCHASER has to repay CONTRACTER for all costs incurred for inspection and investigation of this incorrect claim.

This guarantee shall not apply to items supplied by the PURCHASER.

1. Guarantee Engineer

During any time of the guarantee period the CONTRACTOR shall have the option, at its own cost, to place on board one or two Guarantee Engineers who shall act as CONTRACTOR's observers and to whom every assistance shall be granted for the fulfillment of their tasks. Should this option be exercised then such Guarantee Engineers shall not be discharged without the CONTRACTOR's approval.

The PURCHASER shall ensure the said Engineers a status on board not inferior to that due to the Chief Engineer. In the event that Guarantee Engineers will address non-warranty defects, then the CONTRACTOR shall be pay a remuneration to be agreed upon.

ARTICLE 13: CONTRACT EXPENSES

All taxes, duties, stamps and fees levied by the Authorities in the country of the yardand connected to this CONTRACT are to be borne by the CONTRACTOR.

Any taxes, duties stamps and fees levied by any other authorities than the Authorities in the country of the yardare to be borne by the PURCHASER.

ARTICLE 14: PATENTS

The CONTRACTOR shall indemnify the PURCHASER against any infringement of patent rights or in connection with the construction at the Shipyard, of the VESSEL, but no such liability shall lie with the CONTRACTOR with regard to components and / orequipment and /ordesign supplied by the PURCHASER.

Nothing contained herein shall be construed as transferring any patent or trademark rights or copyright in equipment covered by the CONTRACT, and all such rights including the design of the VESSEL are hereby expressly reserved to the true and lawful owners thereof. This is without prejudice to Article 8 (a).

ARTICLE 15: INTERPRETATION, TECHNICAL DISPUTES AND court proceedings

1. Interpretation

This CONTRACT supersedes all prior negotiations, representations, undertakings and agreements of any subject matter to this CONTRACT.

This CONTRACT and all other agreements relating thereto shall be construed and interpreted under the laws of **The Czech Republic**.

1. Technical Disputes

Any dispute or any difference of opinion between the parties hereto relating to conformity of the construction of the VESSEL or material used to classification requirements, or relating to any other minor technical matters shall be referred to the Classification Society for settlement by and between the parties and the Classification Society.

In the event that the settlement cannot be reached by the three parties above mentioned, then such matters shall be referred to the court as hereinafter provided.

1. Legal Disputes

Except for the case in which the dispute is settled under paragraph b), hereof, any dispute arising under or by virtue of this CONTRACT or any difference of opinion between the parties hereto concerning their rights and obligations under this CONTRACT shall be finally settled by the competent court for Prague 1 or depending on the character of the matter by the Municipal Court in Prague.

ARTICLE 16: CONDITIONS FOR THE CONTRACT TO BE BECOME EFFECTIVE

The CONTRACT shall enter into force the day the CONTRACT has been signed by both parties and shall be effective only after publication in accordance with Act No. 340/2015 Coll., on Special Conditions for the Effectiveness of Certain Contracts, Publication of These Contracts and the Register of Contracts (the Register of Contracts Act). The CONTRACTing parties agree to the publication of the contract, and explicitly identify such information that cannot be provided pursuant to Act No. 340/2015 Coll. and Act No. 106/1999 Coll. The CONTRACTing parties have agreed that the contract will be sent to the administrator of the register of contracts for publication through the register of contracts without undue delay, but no later than within 30 days from the conclusion of the CONTRACT. After receiving a confirmation of the publication of the contract in the register of contracts from the registry administrator, the PURCHASER shall send a copy of this document to the CONTRACTOR without undue delay.

ARTICLE 17: LEGAL DOMICILE

For all thepurposes of this CONTRACT the PURCHASER elects his legal domicile at his registered office in Czech Republic, nábřeží L. Svobody 1222/12, 110 15 Praha 1and the CONTRACTORat his registered office in The Netherlands, Oostelijke Kanaalweg 20, Wemeldinge.

ARTICLE 18: ASSIGNMENT

Neither party shall be entitled to transfer its rights unless prior written approval has been obtained from the other party, which shall not be unreasonably withheld. The transfer of rights under this CONTRACT shall be in accordance with the Act No. 134/2016 Coll., on Public Procurement. Both parties shall have the right to study **all** documents relevant to such transfer and to renegotiate such terms and conditions as it requires. All costs of any kind whatsoever, including legal and other costs in relation to such assignment shall be borne and paid for by the party transferring its rights to the CONTRACT. The original party shall guarantee performance and shall jointly and severally with the new party be liable under the terms of the CONTRACT.

ARTICLE 19: LIMITATION OF LIABILITY

The liability of the CONTRACTOR and PURCHASER shall be limited to the remedies provided for the PURCHASER in this CONTRACT.

ARTICLE 20: ADDRESSES FOR CORRESPONDENCE

(a) For practical purposes without it being a legal requirement the CONTRACTOR shall send all letters and documents for the PURCHASER in connection with and required under this CONTRACT to the following addresses:

1. for all matters: Waterways Directorate of the Czech Republic, Czech Republic, nábřeží L. Svobody 1222/12, 110 15 Praha 1. ID data box: ndn5skh, electronic registry: xxxx.

(b) For practical purposes without it being a legal requirement the PURCHASER shall send all letters and documents for the CONTRACTOR in connection with and required under this CONTRACT to the following addresses:

1. for all matters: Zeeland Maritime Services B.V., The Netherlands, Zeeland Maritime Services B.V., Wemeldinge (Oostelijke Kanaalweg 20), xxxxxx, xxxx

ARTICLE 21: CONTRACT ANNEXES and Integral parts of the contract

1. CONTRACT annexes

The following documents are annexes to the CONTRACT:

Annex 1 – General arrangement plan\_Slapy

1. Integral parts of the CONTRACT

The CONTRACTOR and the PURCHASER agree that the **Initial technical specifications\_Slapy**, which form Annex 4 to the procurement documentation for this CONTRACT available on the PURCHASER's profile (profile of the contracting authority available at <https://nen.nipez.cz/profil/RVCCR>), **are an integral part of this CONTRACT**.

In witness whereof the parties have executed this CONTRACT by their duly authorized representatives as follows.

|  |  |
| --- | --- |
| PURCHASER | CONTRACTOR |
| In Prague on \_\_\_\_\_\_\_\_\_\_ | In Prague on \_\_\_\_\_\_\_\_\_\_ |
| On behalf of  **Waterways Directorate of the Czech Republic** | On behalf of  **Zeeland Maritime Services B.V.** |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

Name: Ing. Lubomír Fojtů Name: xxxx

Title: Director Title: Director