CONTRACT FOR WORK

# Contracting Parties

1) **Andrey A. Shevtsov**

Address: Uvileiniy avenue, 40-А, fl. 90, Kharkiv, 61153, Ukraine

Identification Number: 203418063607

Tax Identification Number: 2860605859

Represented by: Andrey Shevtsov

Bank: First Ukrainian International Bank, Andriivska str. 4, 04070 Kyiv, SWIFT FUIBUA2X

Bank Account: UA433348510000000002600445482

(hereinafter referred to as the “Contractor”)

and

2) **University of West Bohemia in Pilsen**

Address: Univerzitní 8, Plzeň, PC 306 14

Identification Number: 49777513

Tax Identification Number: CZ49777513

Established by: Act no. 314/1991 Coll.

Represented by: Ing. Petr Beneš, Bursar

Bank: Komerční banka, a.s., Plzeň – město

Account Number: 4811530257/0100

(hereinafter referred to as the “Customer”)

concluded, pursuant to provisions of Article 2586 et seq. of Act no. 89/2012 Coll., the Civil Code, as amended, on the day, month and year specified below, this

Contract for Work:

**Article I**

**Subject of the Contract**

1) The Subject of this Contract is the obligation of the Contractor to carry out the Work specified in the Contract and in Annex no. 1 to this Contract, at the expense and risk of the Contractor and within the time agreed, and the obligation of the Customer to pay the price agreed for the Work to the Contractor for a proper and timely execution of the Work.

2) The Contractor undertakes to perform the Work for the Customer, to the quality and extent specified in detail in Annex no. 1, which is an integral part of this Contract.

3) The Contractor confirms that the Contractor is familiar with the scope and nature of the Work, knows all technical, qualitative and other conditions necessary for the execution of the Work, and has the capacities and expertise which are necessary for carrying out the Work.

4) For the avoidance of doubt, it is established that the Contractor is obliged to also perform all other activities which are not expressly mentioned in the Contract, if their execution is necessary, customary or fairly expected by the Customer, and the Contractor should or could have foreseen their implementation. Performing such activities does not affect the price for the Work specified in this Contract.

**Article II**

**Term of Completion**

1. The Contractor agrees to begin all the Work described in this Contract and in Annex no. 1 on the date of the signing of the Contract. The work will be delivered in parts at milestones on 20.7.2018 and 10.8.2018. The complete work will be finished not later than 31.8.2018.

**Article III**

**Rights and Obligations of the Contracting Parties**

1. The Contractor is obliged to perform the Subject of the Contract in accordance with the Customer's instructions, the documentation handed over by the Customer to the Contractor, and in compliance with generally binding legal regulations.
2. The Contractor agrees to provide everything that is needed for the execution of the Work under this Contract.
3. The Contracting Parties are obliged to provide each other with all assistance necessary to carry out the Work.
4. The Customer is entitled, during the execution of the Work, to check the ongoing progress of the Work. The Contractor is obliged, at the request by the Customer, to enable such cooperation.

**Article IV**

**Handover and Takeover of the Work**

1. When the Work has been properly executed, the Contracting Parties are obliged to draw up a handover protocol on the handover and takeover of the Work, which will be dated and signed by both Contracting Parties.
2. In case it has been found out that the Work is defective, the Customer is obliged to complain in writing of such defects in the handover protocol. In the handover protocol, the Contracting Parties shall agree on the deadline for the elimination of defects. If the Customer does not complain of the defects at the time of the handover, the Work is considered to be submitted properly and in a timely manner, without defects or backlogs.
3. The person authorized by the Customer to take over the Work is XXX.
4. The person authorized by the Contractor to hand over the Work is XXX.
5. The place of the takeover of the Work is the University of West Bohemia in Pilsen, New technologies – research centre, Teslova Street, Building number 11, 306 14 Pilsen, Czech Republic.

**Article V**

**Right of Ownership and Risk of Damage to the Work**

1. The Customer is the owner of the Work from the beginning of the execution of the Work.
2. The Contractor bears the risk of damage to the finished Work from the conclusion of the Contract till the time of the handover of the properly executed Work. The Customer bears the risk of damage to the finished Work from the date of the takeover of the Work.

**Article VI**

**Price for the Work and Payment Terms**

1. The Customer undertakes to pay for the Work the total contractual price without VAT in the amount of 3 606 EUR (in words: three thousand six hundred and six). The price will be paid in three equal instalments for the milestones and the final Work as scheduled in Article II.

2) The price under the previous Section includes all costs for the implementation of the Subject of the Contract, including related expenses (e.g. insurance, all transportation costs, increased costs resulting from business conditions, etc.). The Contractor accepts the risk of a change in circumstances in terms of the provisions of Article 2620, Section 2 of the Civil Code.

3) The Contractor is responsible for the accuracy of the VAT rate.

4) The price for the Work is fixed for the entire duration of the execution of the Work, and includes all the Contractor's costs associated with the execution of the Work. The price for the Work is set as the maximum allowable. The price for the Work can only be exceeded when, during the execution of the Work, the tax legislation has changed, which has an impact on the price of the Work. The Customer does not allow any other increase in the price for the Work.

5) The Customer does not provide advance payments. The tax document/invoice issued after proper completion and handover of the Work (or part of the Work for a milestone) will be paid to the Contractor. In case of defects or unfinished work found at the time of the handover, the Contractor is only entitled to issue a tax document/invoice after the elimination of the last defect and backlog in accordance with Article IV, Section 2.

6) The tax document/invoice must include all the particulars of a proper tax and accounting document in terms of the relevant legislation, especially Act no. 563/1991 Coll., on Accounting, as amended, and Act no. 235/2004 Coll., on Value Added Tax, as amended. A tax document that does not meet the prescribed requirements will be returned by the Customer for completion or correction by the due date of the tax document without the Customer thus getting into arrears with payment. The maturity period starts to run again from the re-delivery of a duly completed or corrected invoice to the Customer.

7) The maturity of the tax document/invoice is 14 days from the day of its demonstrable delivery to the Customer.

**Article VII**

**Liability for Defects of the Work**

1) The Work has defects if it is not done in accordance with the conditions set out in this Contract and its annexes.

2) The Customer is obliged to claim defects to the Contractor in writing to the address specified in the heading of this Contract, stating the alleged defects. The deadline for eliminating the defects is set for 7 calendar days following the notification of the occurrence of such defects to the Contractor, unless agreed otherwise by the Contracting Parties. The Contractor is obliged to eliminate the claimed defects at the Contractor’s own expense.

3) The Contractor provides a guarantee for the quality of the Work. The guarantee period is set for 24 months. The warranty period commences on the date of the elimination of the last defect and backlog reported in the handover and takeover protocol of the Work. During this period, the Contractor is liable for defects that occur in the Work.

**Article VIII**

**Withdrawal from the Contract**

1. This Contract can be terminated by a written agreement of the Contracting Parties, or a withdrawal from the Contract for the reasons set out in this Contract or in the Act.
2. A Contracting Party may withdraw from this Contract for a substantial breach of contractual obligations by the other Contracting Party. The following, in particular, are considered a substantial breach of contractual obligations:
3. by the Customer: failure to pay the price for the Work under this Contract within 30 days following the due date of the relevant invoice,
4. by the Contractor: the Work (or part thereof) is not properly delivered by the agreed deadline,
5. by the Contractor: the Work does not have the properties declared by the Contractor in this Contract or properties resulting from this Contract,
6. by the Contractor: delay in removing the defects according to Art. VII of this Contract.
7. A withdrawal from this Contract shall be made in writing.
8. In the event of a withdrawal from this Contract, the Contracting Parties are obliged to settle their mutual liabilities and assets specified in the Act or in this Contract, within 30 days from the legal effects of the withdrawal, or within an agreed deadline.
9. In the event of withdrawal from this Contract by the Customer for a fundamental breach of contractual obligations by the Contractor, the Contractor is obliged to pay the Customer any damages suffered (both material and non-material).

**Article IX**

**Protection of Information**

1. The Contracting Parties undertake to mutually protect and keep confidential, from Third Parties, any protected information, documents and facts constituting trade secrets mutually shared by the Contracting Parties in the context of these business transactions. Trade secrets constitute competitively significant, identifiable, measurable and, in relevant business circles, normally inaccessible facts related to the company, and whose owner adequately ensures their confidentiality in the owner’s own interest.

**Article X**

**Contractual Penalties and Compensation for Damages**

1. If the Contractor is in default with executing the Work implemented by the Contractor, the Customer is entitled to ask the Contractor to pay a contractual penalty of 0.05% of the total price for each day of delay.
2. If the Customer is in arrears with payment of the price for the Work, the Contractor is entitled to ask the Customer to pay a contractual penalty of 0.05% of the unpaid part of the financial obligation for each day of delay.

3) Should a Contracting Party breach any obligation laid down in the provisions of Article IX, Section 1) hereof, this Contracting Party is obliged to pay a contractual penalty of 20,000 CZK for each such breach proven.

4) The provision regarding the contractual penalty does not affect the right to compensation for damages caused by the breach of the obligation to which the contractual penalty applies, even if the compensation for damages exceeds the contractual penalty.

5) The contractual penalty is payable within 30 days from the date on which a written call for its payment was delivered to the obligated Contracting Party by the entitled Contracting Party, to the account of the entitled Contracting Party specified in a written call.

**Article XI**

**Licence Agreement**

1. The Contractor provides the Customer a licence for all manners of use of the Work (reproduction of the Work, distribution of the Work, renting the Work, lending the Work, exhibiting the Work and communicating the Work to the public) in an unlimited range, both in material and intangible forms, especially electronically.
2. The Customer is not obliged to use the licence.
3. The licence is granted as an exclusive licence. The Contractor shall not grant the licence for the Work to a third Party. The Contractor is obliged to refrain from exercising the right to use the Work in the manner for which the licence was granted.
4. The Customer is entitled to use the Work for profit or non-profit purposes.
5. The Customer is entitled to give or cede to a third Party an authorization constituting a part or the whole of the licence. The Customer is entitled to cede a license to any person. The Customer is not obliged to inform the Contractor or the author about granting a sub-license or a cession of the licence.
6. The Contracting Parties specifically agree that the price of the licence is included in the price of the Work under Article VI hereof.
7. The territorial scope of the licence is not limited. The licence is granted for the duration of the ownership rights to the Work. The quantitative scope of the licence is unlimited.
8. The Contractor grants the Acquirer their consent to publish, alter or process the Work, including its translation, joining it with another work, using the altered Work, including the Work in a collective work and using this collective work. The Contractor also grants the Acquirer their approval to modify or change the title of the Work.
9. The Contractor declares that the Contractor is entitled to give the Customer the right to the Work under this Contract. The Contractor is obliged to settle all the claims of the author related to the Work under this Contract.

**Article XII**

**Final Provisions**

1. Contractor notes that Customer is a subject legally bound to publish its contracts pursuant to Act no. 340/2015 Coll., and if a contract meets the requirements for publication stipulated by the law, Customer will publish any such contract in the register of contracts.
2. A contract comes into force upon its conclusion, i.e. on the date of the contract signature by the authorized representatives of both contractual parties. In the case of a contract that is subject to publication in the register of contracts pursuant to Act no. 340/2015 Coll., such a contract takes effect only on the day of its publication in the register of contracts.
3. This agreement is governed by Czech law and disputes arising from this agreement will be dealt exclusively by Czech courts. The Contracting Parties agree that other rights and obligations of the Contracting Parties shall be governed by Act no. 89/2012 Coll., the Civil Code, as amended, and Act no. 121/2000 Coll., Copyright Act, as amended.
4. The Contract can be altered and supplemented only in writing by numbered supplements. Both Contracting Parties have the right to submit a supplement to the Contract.
5. The Contract is made out in two identical copies, of which each Contracting Party shall receive one copy.
6. The Contracting Parties declare that the Contract expresses their free, true, understandable and serious will, in witness whereof they affix their signatures to the Contract.
7. An integral part of this Contract is Annex no. 1 – Description of the Work.

In Kharkiv on .......................... In Pilsen on ............................

Contractor: Customer:

....................................................... .......................................................... Andrey A. Shevtsov Ing. Petr Beneš

Bursar

University of West Bohemia in Pilsen

## Annex no. 1 to the Contract for Work

DESCRIPTION OF THE WORK

The Contractor will extend the functions of LabIR software:

* High performance charts for big data
* Extension of functionality of thermographic filters
* Improvements of thermogram rendering and user interface
* Optimisations of memory use of ThermoStitch module
* Improvements of user interface for ThermoStitch module