

Purchase Contract

(hereafter the “Contract”)

1. CONTRACTUAL PARTIES

1.1 Fyzikální ústav AV ČR, v. v. i.,

with offices: Na Slovance 1999/2, 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.

Bank: UniCredit Bank Czech Republic and Slovakia, a.s.
Account No.: 2106535627/2700
ID No.: 68378271
Tax ID No.: CZ68378271

(hereinafter the “Buyer”)

and

1.2 MUEGGE GMBH,

with seat: Hochstrasse 4-6, D-64385 Reichelsheim, Germany,
represented by: Dr. Klaus M. Baumgartner (CEO), Dr. Uwe Fritsch (President),
registered in HRB 70541, Amtsgericht Darmstadt.

Bank: Volksbank Odenwald eG, D-64720 Michelstadt
Account No.: IBAN: DE68 50863513 0200018317
ID No.: 111650212
Tax ID No.: DE111650212

(hereinafter the “Seller”),

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

2. FUNDAMENTAL PROVISIONS

- 2.1 The Buyer is a public research institution whose primary activity is scientific research in the area of physics, especially elementary particles physics, condensed systems, plasma and optics.
- 2.2 The Buyer wishes to acquire the subject of performance hereof (a solid state MW generator) in order to generate MW plasma with possibility of pulsed operation regime.
- 2.3 The Seller was selected as the winner of a public procurement procedure announced by the Buyer outside the scheme of the Act No. 134/2016 Coll., on awarding of Public Contracts, as amended (hereinafter the “**Act**”), for the public contract called “**Solid state MW generator**” (hereinafter the “**Procurement Procedure**”).
- 2.4 The documentation necessary for the execution of the subject of performance hereof consist of
 - 2.4.1 Technical specifications of the subject of performance hereof attached as **Annex No. 1** hereto.
 - 2.4.2 The Seller’s bid submitted within the Procurement Procedure in its parts which describe the subject of performance in technical detail (hereinafter the “**Sellers’s Bid**”); the Sellers’s Bid forms form **Annex No. 2** to this Contract and an integral part hereof.

In the event of a conflict between the Contract’s Annexes the technical specification / requirement of the higher level / quality shall prevail.
- 2.5 The Seller declares that it has all the professional prerequisites required for the supply of the subject of performance under this Contract, is authorised to supply the subject of performance and there exist no obstacles on the part of the Seller that would prevent the Seller from supplying the subject of this Contract to the Buyer.
- 2.6 The Seller acknowledges that the Buyer considers the Seller’s participation in the Procedure, provided that the Seller complies with all qualification requirements, as the confirmation of the fact that the Seller is capable, within the meaning of Section 5(1) of the Act No. 89/2012 Coll., the Civil Code, as amended (hereinafter the “**Civil Code**”) of providing performance under the Contract with such knowledge, diligence and care that is associated and expected of the Seller’s profession, and that the Seller’s potential performance lacking such professional care would give rise to corresponding liability on the Seller’s part. The Seller is prohibited from misusing its qualities as the expert or its economic position in order to create or exploit dependency of the weaker Party or to establish an unjustified imbalance in the mutual rights and obligation of the Parties.
- 2.7 The Seller acknowledges that the Buyer is not in connection to the subject of this Contract, an entrepreneur, and also that the subject of this contract is not related to any business activities of the Buyer.
- 2.8 The Seller acknowledges that the production and delivery of the subject of performance within the specified time and of the specified quality, as shown in Annexes No. 1 and 2 of this Contract (including the delivery and invoicing) is essential for the Buyer. If the Seller fails to meet contractual requirements, it may incur damage of the Buyer.
- 2.9 The Seller declares that he accepts the “risk of changed circumstances” within the meaning of Section 1765(2) of the Civil Code.
- 2.10 The Contractual Parties declare that they shall maintain confidentiality with respect to all facts and information, which they learn in connection herewith and / or during performance hereunder, and

whose disclosure could cause damage to either Party. Confidentiality provisions do not prejudice obligations on the part of the Buyer arising from valid legislation.

3. SUBJECT-MATTER OF THE CONTRACT

3.1 The subject of this Contract is the obligation on the part of the Seller to deliver and transfer into the Buyer's ownership:

the **Solid state MW generator** (hereafter the "**Equipment**")

and the Buyer undertakes to take delivery of the Equipment and to pay to the Seller the agreed upon price.

3.2 The following activities form an integral part of the performance to be provided by the Seller:

3.2.1 Transport of the Equipment incl. all accessories specified in Annexes 1 and 2 of the Contract to the place of delivery,

3.2.2 Telephone or email assistance with the installation of the Equipment at the site,

3.2.3 Delivery of instructions and operating manuals of the Equipment in Czech or English language to the Buyer, in electronic and hardcopy (printed) versions,

3.2.4 Warranty service,

3.2.5 Ensuring out-of-warranty and post-warranty service,

3.2.6 Provision of technical support in the form of consultations.

3.3 The subject of performance (Equipment) is specified in detail in Annexes No. 1 and No. 2 hereto.

3.4 The Seller shall be liable for the Equipment and related services to be in full compliance with this Contract, its Annexes, the submitted bid and all valid legal regulation, technical and quality standards and that the Buyer will be able to use the Equipment for the defined purpose. In case of any conflict between applicable standards it is understood that the more strict standard or its part shall always apply.

3.5 The delivered Equipment and all its parts, accessories must be brand new and unused.

4. PERFORMANCE PERIOD

4.1 The Seller undertakes to deliver the Equipment to the address specified in Section 7.1 hereof within 30 weeks of the conclusion hereof.

4.2 The performance period shall be extended for a period during which the Seller could not perform due to obstacles on the part of the Buyer.

5. PURCHASE PRICE, INVOICING, PAYMENTS

- 5.1 The purchase price is based on the Seller's submitted bid and amount to 10.593,00 € (in words: ten thousand five hundred and ninety three Euro) excluding VAT (hereinafter the "Price"). VAT shall be paid by the Buyer and settled in accordance with the valid Czech regulation.
- 5.2 The Price represents the maximum binding offer by the Seller and includes any and all performance provided by the Seller in connection with meeting the Buyer's requirements for the proper and complete delivery of the Equipment hereunder, as well as all costs that the Seller may incur in connection with the delivery and including all other costs of expenses that may arise in connection with creation of an intellectual property creation and its protection.
- 5.3 The Parties agreed that the Price will be invoiced after the acceptance protocol in accordance with Section 9.5 will have been signed. In case the Equipment will be handed over with minor defects and / or unfinished work, the Price will be invoiced after removal of these minor defects and / or unfinished work.
- 5.4 Invoices issued by the Seller hereunder shall contain all the requirements stipulated by Act No. 235/2004 Coll., on Value Added Tax, as amended, and the Contract number.
- 5.5 The Buyer prefers electronic invoicing, with the invoices being delivered to efaktery@fzu.cz. All issued invoices shall comply with any international treaties prohibiting double taxation, if applicable.
- 5.6 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 remittance to the Seller's account.
- 5.7 If an invoice is not issued in conformity with the payment terms stipulated by the Contract or if it does not comply with the requirements stipulated by law, the Buyer shall be entitled to return the invoice to the Seller as incomplete, or incorrectly issued, for correction or issue of a new invoice, as appropriate, within five (5) business days of the date of its delivery to the Buyer. In such a case, the Buyer shall not be in delay with the payment of the Price or part thereof and the Seller shall issue a corrected invoice with a new and identical Maturity Period commencing on the date of delivery of the corrected or newly issued invoice to the Buyer.
- 5.8 The Buyer shall be entitled to unilaterally set off against any receivables claimed by the Seller any of its payment due to:
- 5.8.1 damages caused by the Seller,
 - 5.8.2 contractual penalties and other sanctions.
- 5.9 The Seller shall not be entitled to set off any of its receivables against any part of the Buyer's receivable hereunder.

6. OWNERSHIP TITLE

- 6.1 The ownership right to the Equipment shall pass to the Buyer by acceptance. Acceptance shall be understood as delivery and acceptance of the Equipment duly confirmed by acceptance protocol in accordance with Section 9.5.

7. PLACE OF DELIVERY OF THE EQUIPMENT

- 7.1 The place of delivery of the Equipment shall be the premises of the Department 27 of the Fyzikální ústav AV ČR, v.v.i. at Cukrovarnická 112/10, Praha 6.

8. COOPERATION OF THE PARTIES

- 8.1 The Seller undertakes to notify the Buyer of any obstacles on its part, which may negatively influence proper and timely delivery of the Equipment.
- 8.2 The Parties wish to deviate from provisions of Section 2126 of the Civil Code and agree that the Seller shall not be authorized to use institutes established therein.

9. DELIVERY, INSTALLATION AND ACCEPTANCE

- 9.1 The Seller shall transport the Equipment at its own cost to the place of delivery. If the shipment is intact, the Buyer shall issue delivery note for the Seller.
- 9.2 The Buyer shall perform the installation of the Equipment and verify whether the Equipment is functional and meets the technical requirements of Annexes No. 1 and 2 hereof.
- 9.3 The Buyer undertakes to perform the installation of the Equipment and verification whether the Equipment is functional and meets the technical requirements within 3 working days of the delivery of the Equipment.
- 9.4 The delivery shall include all technical documentation pertaining to the Equipment, user manuals and certificate of compliance of the Equipment and all its parts and accessories with approved standards.
- 9.5 The procedure shall be completed by acceptance of the Equipment confirmed by the acceptance protocol containing specifications of all performed tests. The protocol shall contain the following information:
- 9.5.1 Information about the Seller, the Buyer and any subcontractors,
 - 9.5.2 Description of the Equipment including description of all components and serial numbers,
 - 9.5.3 Description of performed tests including achieved parameters,
 - 9.5.4 List of technical documentation including the manuals,
 - 9.5.5 Date and signature of the representative of the Buyer specified in 11.2 hereof.
- 9.6 Acceptance of the Equipment does not release the Seller from liability for damage caused by product defects.
- 9.7 The Buyer shall not be obliged to accept an Equipment, which would show defects or unfinished work and which would otherwise not form a barrier, on their own or in connection with other defects, to using the Equipment. In this case, the Buyer shall issue a record containing the reason for its refusal to accept the Equipment.

10. TECHNICAL ASSISTANCE - CONSULTATIONS

10.1 The Seller shall be obliged to provide to the Buyer free-of-charge consultations and technical assistance relating to the subject of performance hereof during the entire term of the warranty period. The Seller undertakes to provide to the Buyer consultations and technical assistance relating to the subject of performance hereof also after the warranty period expires.

11. REPRESENTATIVES, NOTICES:

11.1 The Seller authorized the following representatives to communicate with the Buyer in all matters relating to the Equipment delivery:

Maria Koenig
e-mail: Maria.Koenig@muegge.de
tel. (+49) 6164-9307-33

11.2 The Buyer authorized the following representatives to communicate with the Seller:

Ing. Štěpán Potocký, Ph.D.
e-mail: potocky@fzu.cz
tel. (+420) 220 318 437

Ing. Alexander Kromka, DrSc.
e-mail: kromka@fzu.cz
tel. (+420) 220 318 437

11.3 All notifications to be made between the Parties hereunder must be made out in writing and delivered to the other Party by hand (with confirmed receipt) or by registered post (to the Buyer's or Seller's address), or in some other form of registered post or electronic delivery incorporating electronic signature (qualified certificate) to epodatelna@fzu.cz in case of the Buyer and to Maria.Koenig@muegge.de in case of the Seller.

11.4 In all technical and expert matters (discussions on the Equipment testing and demonstration, notification of the need to provide warranty or post-warranty service etc.) electronic communication between technical representatives of the Parties will be acceptable using e-mail addresses defined in Sections 11.1 and 11.2.

12. TERMINATION

12.1 This Contract may be terminated early by agreement of the Parties or withdrawal from the Contract on the grounds stipulated by law or in the Contract.

12.2 The Buyer is entitled to withdraw from the Contract without any penalty from Seller in any of the following events:

12.2.1 The Seller fails to meet the deadline pursuant to Section 4.1 hereof.

12.2.2 Technical parameters or other conditions required in the technical specification defined in Annex No. 1 and 2 hereto and in the relevant valid technical standards will not be achieved

by the Equipment at acceptance,

12.2.3 Facts emerge bearing evidence that the Seller will not be able to deliver the Equipment.

12.2.4 The Seller will not meet the qualification criteria within the Procurement Procedure.

12.3 The Seller is entitled to withdraw from the Contract in the event of the Buyer being in default with the payment for more than 2 months with the exception of the cases when the Buyer refused invoice due to defect on the delivered Equipment or due to breach of the Contract by the Seller.

12.4 Withdrawal from the Contract becomes effective on the day the written notification to that effect is delivered to the other Party. The Party which had received performance from the other Party prior to such withdrawal shall duly return such performance.

13. INSURANCE

13.1 The Seller undertakes to insure the Equipment against all risks, in the amount of the Price of the Equipment for the entire period commencing when transport of the Equipment starts until duly handed over to the Buyer. In case of breach of this obligation, the Seller shall be liable to the Buyer for any damage that may arise.

13.2 The Seller is liable for the damage that he has caused. The Seller is also liable for damage caused by third parties undertaken to carry out performance or its part under this Contract.

14. WARRANTY TERMS

14.1 The Seller shall provide warranty for the quality of the Equipment for a period of 12 months. The warranty term shall commence on the day following the date of signing of the confirmation of removal of minor defects or unfinished work or on the day following the date of signing of the acceptance protocol pursuant to Section 9.5 hereof in case the Equipment was handed over without any minor defects or unfinished work. The warranty does not cover consumable things.

14.2 Terms of warranty must comply with all EU standards relating to warranty on consumer goods, especially to be in compliance with Directive 1999/44/EC.

14.3 Should the Buyer discover a defect, he shall notify the Seller to rectify such defect using the email address Maria.Koenig@muegge.de.

14.4 The repaired portion of the Equipment shall be subject to a new warranty term in accordance with Section 14.1, which commences to run on the day following the date when the Repair Protocol was executed.

14.5 The Seller declares that he shall ensure post-warranty service during the warranty term and out-of-warranty service for the period of 3 years after the warranty term expires. The price of the service may not exceed the usual price for the performance of similar type.

15. CONTRACTUAL PENALTIES

- 15.1 The Buyer shall have the right to a penalty in the amount of 0.1 % of the Price for each commenced day of delay with the performance pursuant to Section 4.1 hereof.
- 15.2 The Buyer shall have the right to a penalty in the amount of 0.1 % of the Price for each commenced day of delay with rectifying of claimed defects.
- 15.3 The Buyer shall be entitled to claim a contractual penalty against the Seller in the amount of 30 % of the Price, in case he will subsequently take advantage of the opportunity to withdraw from the Contract pursuant to Section 12.2.1 and 12.2.2.
- 15.4 In case of default in payment of any due receivables (monetary debt) under the Contract, the defaulting Buyer or Seller (the debtor) shall be obliged to pay a contractual penalty at the statutory rate for each commenced day of delay with the payment.
- 15.5 Contractual penalties are payable within 30 days of notification demanding payment thereof.
- 15.6 Payment of the contractual penalty does not prejudice the rights of the Parties to claim damages; the Parties exclude use of Section 2050 of the Civil Code.

16. DISPUTES

- 16.1 Any and all disputes arising out of this Contract or the legal relationships connected with the Contract shall be resolved by the Parties by mutual negotiations. In the event that any dispute cannot be resolved by negotiations 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; the court having jurisdiction will be the court where the seat of the Buyer is located. Disputes shall be resolved exclusively by the law of the Czech Republic.

17. FINAL PROVISIONS

- 17.1 This Contract represents the entire agreement between the Buyer and the Seller. The relationships between the Parties not regulated in this Contract shall be governed by the Civil Code.
- 17.2 In the event that any of the provisions of this Contract shall later be shown or determined to be invalid, ineffective or unenforceable, then such invalidity, ineffectiveness or unenforceability shall not cause invalidity, ineffectiveness or unenforceability of the Contract as a whole. In such event the Parties undertake without undue delay to subsequently clarify any such provision or replace after mutual agreement such invalid, 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.
- 17.3 This Contract becomes valid and effective as of the day of its conclusion by the authorised persons of both Parties.
- 17.4 This Contract may be changed or supplemented solely by means of numbered amendments in writing, furnished with the details of time and place and signed by duly authorised representatives of the Parties. The Parties expressly reject, within the bounds of Section 564 of the Civil Code, modifications

to the Contract in any other manner.

17.5 This Contract is drawn up in three (3) counterparts, each of which is deemed to be the original. The Seller shall receive two (2) counterparts, the Buyer shall receive one (1) counterpart.

17.6 The Parties expressly agree that the Contract as a whole, including all attachments and data on the Parties, subject of the Contract, numerical designation of this Contract, the Price and the date of the Contract conclusion, will be published in accordance with Act No. 340/2015 Coll. on special conditions for the effectiveness of some contracts, publication of these contracts and Contract Register, as amended (hereinafter the "CRA"). The Parties hereby declare that all information contained in the Contract and its Annexes are not considered trade secrets under § 504 of the Civil Code and grant permission for their use and disclosure without setting any additional conditions.

17.7 The Parties agree that the Buyer shall ensure the publication of the Contract in the Contract Register in accordance with CRA.

17.8 The following Annexes form an integral part of the Contract:

Annex No. 1: Buyer's technical specification of the Equipment

Annex No. 2: Seller's technical specification

1. Technical specification on the subject of performance
2. Seller's bid in respect of part which technically describes the Equipment

17.9 The Parties, manifesting their consent with the entire contents of this Contract, attach their signature hereunder.

In Prague on _____

In Reichelsheim on _____

For the Buyer: Fyzikální ústav AV ČR, v. v. i.

For the Seller: MUEGGE GMBH

prof. Jan Řídký, DrSc.
Director

Maria Koenig
Manager
Sales and Marketing

Christian Schloessmann
Manager
Sales and Marketing

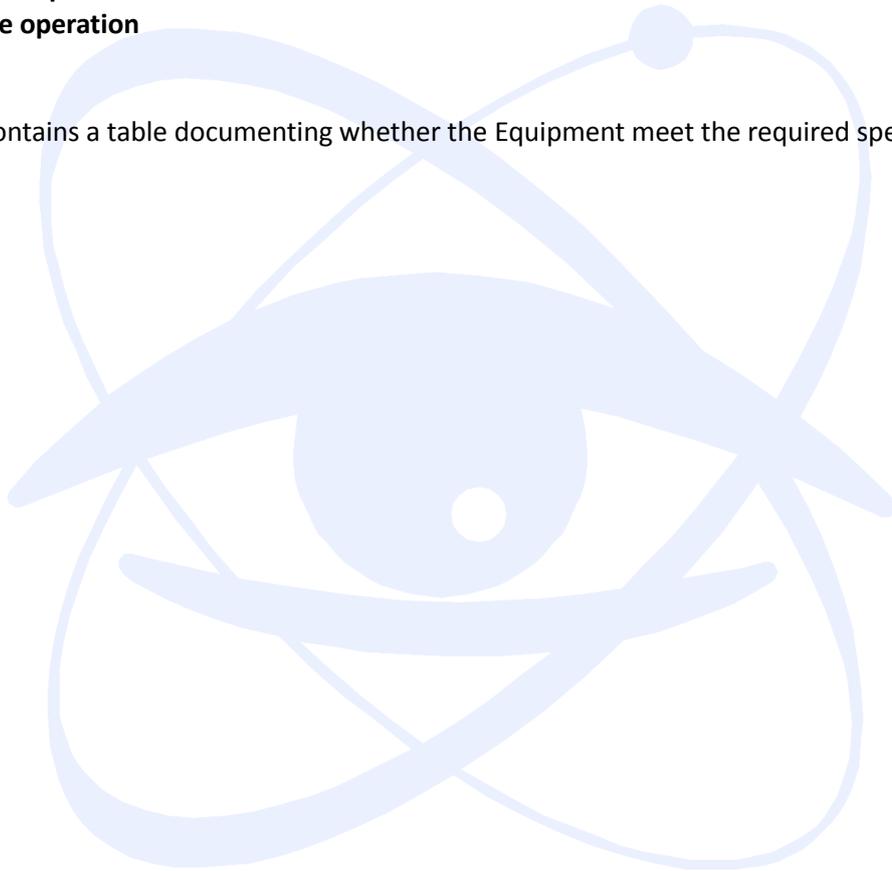
Annex No. 1 – Buyer’s technical specification of the Equipment

- solid state microwave generator
- min. 900 W cw power
- power adjustable with 1 % of full range
- tunable output frequency 2400 to 2500 MHz
- integrated isolator for full reflected power
- manual operation including failure message
- coaxial output connector
- input power 230 V, 50 Hz

Optional setup

- pulsable operation 500-1000 Hz
- remote operation

Annex No. 2 contains a table documenting whether the Equipment meet the required specifications.



Annex No. 2**Technical specification on the subject of performance****Mandatory**

Description and minimum specification of the Equipment as defined by the Buyer	Description and specification of the Equipment offered by the Seller	Complies YES/NO
solid state microwave generator	solid state microwave generator	YES
min. 900 W cw power	min. 900 W cw power	YES
power adjustable with 1 % of full range	power adjustable with 1 % of full range	YES
tunable output frequency 2400 to 2500 MHz	tunable output frequency 2400 to 2500 MHz	YES
integrated isolator for full reflected power	integrated isolator for full reflected power	YES
manual operation including failure message	manual operation including failure message	YES
coaxial output connector	coaxial output connector	YES
input power 230 V, 50 Hz	input power 230 V, 50 Hz	YES

Optional setup

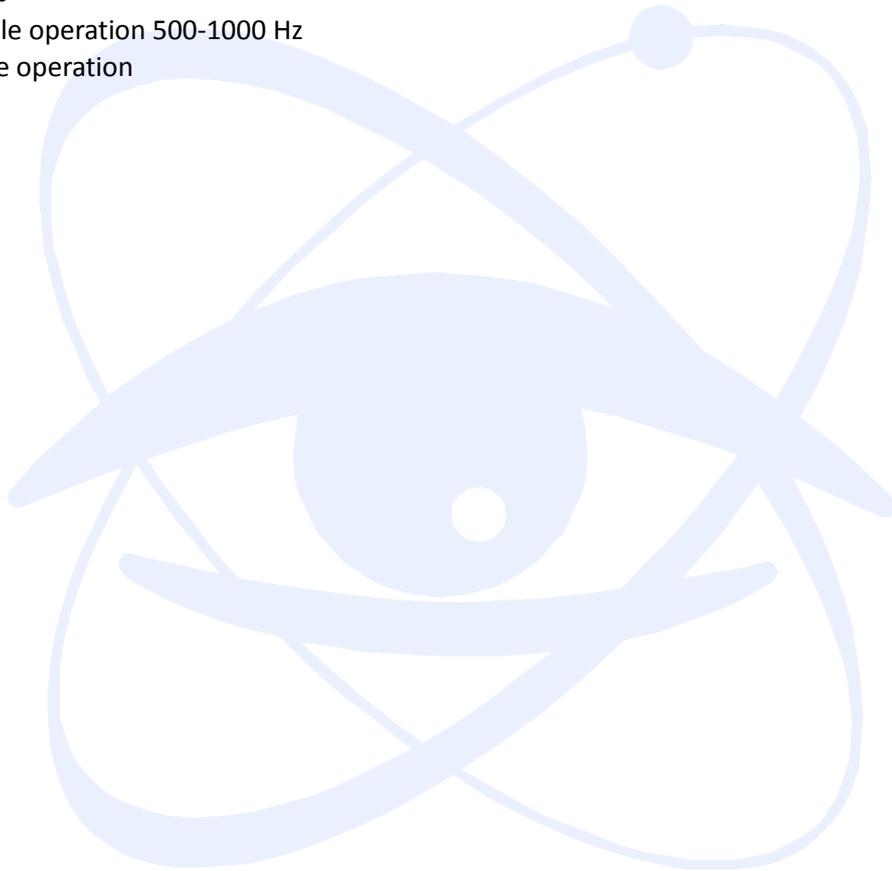
Description of the optional setup as defined by the Buyer	Description and specification of the Equipment offered by the Seller	Complies YES/NO
pulsable operation 500-1000 Hz	pulsable operation 500-1000 Hz	YES
remote operation	remote operation	YES

The Seller's bid in the extent it describes technical parameters of the Equipment

- solid state microwave generator
- min. 900 W cw power
- power adjustable with 1 % of full range
- tunable output frequency 2400 to 2500 MHz
- integrated isolator for full reflected power
- manual operation including failure message
- coaxial output connector
- input power 230 V, 50 Hz

Optional setup

- pulsable operation 500-1000 Hz
- remote operation





Industrial Microwave +
Plasma Systems

MUEGGE

Microwave Generator MR0900D-200ML

Solid-State Microwave Generator 900 W @ 2450 MHz, MR-Series

Features:

- Single solid-state microwave generator
- Suitable for 900 W cw / 900 W pulse HF-output-power, pulsable up to 500 Hz
- Air / water cooled system (loss of transistors directly into water)
- Power adjustable in 10 W steps 0 - 900 W
- Adjustable output frequency from 2400 MHz to 2500 MHz
- Compact design, single 19" rack construction
- Low weight
- Main switch (ON / OFF position)
- Integrated isolator for full reflected power
- Coax output connector (1-5/8")
- HF-power controlled
- Remote (PLC, CAN-BUS) operation
- Manual operation (4.3" touchscreen-display, manual command keys incl. incremental encoder for coarse and fine power adjustment)
- Sweep function
- Phase shift function
- All errors and warnings can be analyzed on the interfaces or on the touchscreen-display (no group error)
- MUEGGE ethernet-interface (*see specifications page 2)

Options:

- Line voltage: 3 phase 400 V; 3 phase 480 V
- Interfaces:
FIELDBUS VERSIONS:
 BACNet MS/TP; CANopen; CC-Link; ControlNet; DeviceNet;
 Modbus RTU; Profibus
ETHERNET VERSIONS:
 BACNet/IP; EtherCAT; EtherNet/IP; Modbus TCP; Profinet;
 Sercos III
SERIAL VERSIONS: RS-232; RS-485;
OTHER VERSIONS: Bluetooth (only Monitoring =>
 Muegge-Tablet-App)



Rear view

MUEGGE GMBH

Hochstraße 4-6 · 64385 Reichelsheim

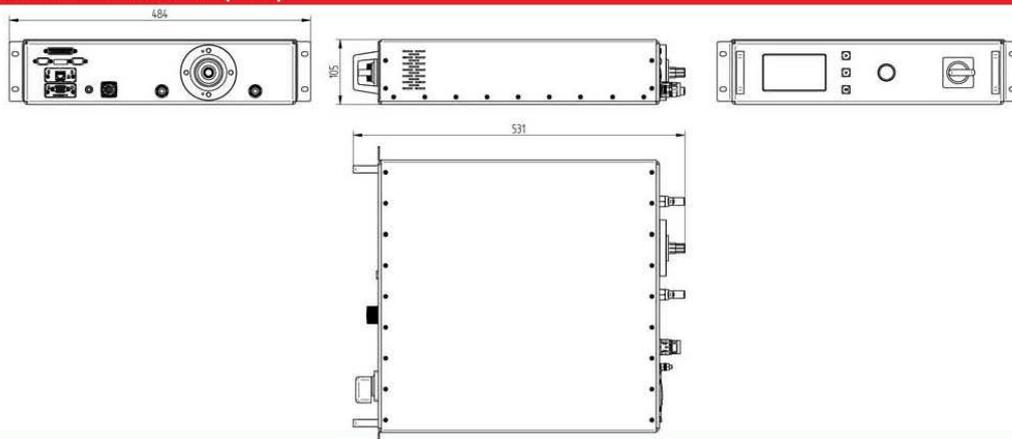
Fon +49 (0) 6164 - 93 07 0 · Fax +49 (0) 6164 - 93 07 93

info@muegge.de · www.muegge.de

Microwave Generator MR0900D-200ML

Industrial Microwave +
Plasma Systems**MUEGGE**

Outline Dimensions (mm):



Specifications:

PRIMARY POWER CIRCUIT:	120 – 240 V AC, 50/60 Hz	ASSEMBLY:	Fully enclosed aluminum housing, Solid encapsulated assembly
MW-OUTPUT POWER:	900 W cw / 900 W pulse @ 2450 MHz	DIMENSIONS:	19 inch rack mounted, Total Length = 531 mm, Height = 2 units (105 mm)
FREQUENCY:	Nominal: 2450 MHz Adjustable range: 2400 – 2500 MHz	CONDITIONS:	Ambient-Temp.: 5 °C - 45 °C non-condensing, T _{max.} = 45 °C < 3 h/d, Humidity: 80 % @ 30 °C, subsequently linearly reduced to 50 % @ 45 °C
EFFICIENCY:	Approx. 49 % at full output power	COOLING:	Internally air-cooled
PULSEABLE:	Up-to 500 Hz	CONNECTIONS:	Circ. connector (PRIM. POWER CIRCUIT / PRIM. CONTROL CIRCUIT) 9 pin Sub-D male con. (CAN-BUS INTERFACE) 25 pin Sub-D female con. (PLC INTERFACE) Stud M6 (PE) 1-5/8" coax connector
INTERFACE:	CAN-Bus, PLC, operating and display panel	Weight:	Approx. 17 kg
MUEGGE Ethernet-Interface:	<ul style="list-style-type: none"> - Automatic notification when firmware updates available - Remote maintenance access for the Muegge-Service (faster support in case of failure => minimizing downtime)* - Additional functions can be activated directly from the Muegge-sales team* - IP-Webinterface (operating system independent) to configure the device settings, install firmware updates and monitor the actual status <p>*Can only be used if the MUEGGE terms and conditions were accepted and device has access to the Internet</p>		
Complies with the requirements of:	The Low Voltage Directive 73/23/EEC and the following Standards: EN61010-1, EN55011, EN61000-6-2 ; FCC 47CFR PT 18; EN61000-3-2 SEMI S2-0715, SEMI F47		

MUEGGE GMBH info@muegge.de · www.muegge.de

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