



General Terms and Conditions for Purchase of Services

1 Opening Provisions

- 1.1 These general terms and conditions for purchase of services govern terms of purchase of services by the company Kia Motors Slovakia s.r.o. (hereinafter referred to as **KMS**) from suppliers (hereinafter referred to as **terms and conditions**).
- 1.2 These terms and conditions apply to the contracts regulating single service, repeated services, as well as the contracts having the nature of framework agreement.

2 General Provisions

- 2.1 These terms and conditions form an integral part of contract concluded between KMS and supplier in writing or by acceptance of KMS order, whereas parties agreed as follows:
 - a) these terms and conditions shall become an integral part of contract by the reference to these terms and conditions in the contract or in the order,
 - b) supplier acknowledges that the delivery of these terms and conditions to supplier in electronic form or delivery of link to these terms and conditions published at KMS website shall be deemed the attachment or reference of these terms and conditions to the contract,
 - c) supplier who has already provided a service to KMS under these terms and conditions acknowledges that it is acquainted with these terms and conditions and that they form the integral part of the contract even without being attached to the proposal for entering into the contract. Parties agreed that these terms and conditions shall in such case form the integral part of the contract even without being referenced.
- 2.2 Application of any business terms and conditions of supplier or terms and conditions to which supplier refers during negotiations of the entering into contract are hereby explicitly excluded irrespective whether KMS explicitly excluded such terms and conditions or they were referenced as the last during negotiations of the entering into contract. KMS represents that the contract is being concluded provided and assuming that the application of terms and conditions under the first sentence of this clause is excluded.
- 2.3 If parties conclude a framework agreement with reference to these terms and conditions, these terms and conditions shall form integral part of any partial contract concluded by and between parties under the framework agreement.

2.4 Following terms used in this contract shall have the following meanings:

- a) **internal regulations** shall mean KMS regulations related to the access to KMS premises, provision of service or performance of any other activity within KMS premises, about which KMS informs supplier or which are otherwise known to supplier, especially regulations related to occupational health and safety, fire and environmental protection, hygiene and regulations related to smoking and prohibited access under influence of alcohol, narcotic or psychotropic substances and prohibition to bring them and/or use them to/within KMS premises,
- b) **staff** shall mean individuals with whom supplier or subcontractor entered into labour or other relationship and who at the same time provide or perform service in person,
- c) **KMS premises** shall mean premises of KMS production plant, other premises used or procured by KMS for the purposes of provision of service, or any other premises determined by KMS for the fulfilment of obligation,
- d) **service** shall mean mainly the creation of certain work, installation of work, maintenance, repair or modification of work, measurement, cleaning, materially captured result of other activity of arrangement of a certain matter; the service shall also include the delivery of goods if the obligation of supplier to deliver goods includes also installation of such goods or if the major part of supplier's obligation to deliver goods consists in the performance of activities,
- e) **foreign supplier** shall mean supplier with registered office or place of business outside Slovak Republic and at the same time not having permanent place of operation in Slovak Republic from which the service under this contract is provided.

3 Subject of Contract

- 3.1 The subject of this contract is the agreement of parties on mutual rights and obligations regarding the provision of service under this contract in the manner and under terms and conditions as specified herein.
- 3.2 Supplier undertakes to provide service further specified in contract, partial contract or order. KMS undertakes to pay the agreed price to supplier for duly and timely provided service.

- 3.3 If the subject of supplier's obligation is to perform legal acts on behalf of KMS, supplier shall inform KMS about the necessity for issuance a power of attorney to supplier and the scope thereof. KMS shall issue the power of attorney to supplier upon its request.
- 3.4 Unless it is explicitly agreed in the contract or unless it results from contract that parties agreed on repeated or continuous performance of service, this contract does not establish the obligation of KMS to order service or minimum volume of services or services of minimum value from supplier, even if the contract is concluded for a definite period of time or the contract contains the expected volume of services or expected value of services.
- 3.5 The provision of service is not an exclusive right of supplier and KMS shall be entitled to enter into contract for the provision of the same service with any third party without any prior notification or other obligation towards supplier.

4 Conclusion of partial/repeated contracts

- 4.1 If parties conclude a framework agreement or if any of parties desire to enter into another contract after supplier has already provided or is providing services under these terms and conditions, parties agreed that conclusion of partial or repeated contracts shall be governed by the provisions of this section.
- 4.2 If supplier delivers to KMS a price quotation, such quotation shall be deemed an irrevocable and binding proposal of supplier to conclude the contract, which KMS is entitled to accept within 60 days from its receipt unless the price quotation stipulates the longer period. If KMS accepts the proposal to conclude the contract without amending it, it shall be deemed that the partial contract is concluded when KMS order is delivered to supplier.
- 4.3 If KMS delivers to supplier (i) order without the prior price quotation of supplier, (ii) order that amends the price quotation of supplier, or (iii) order that does not amend the price quotation of supplier but after the date till which the price quotation was irrevocable and binding, supplier undertakes to inform KMS about acceptance or refusal of the order within 3 days from the date of delivery thereof at the latest. If supplier fails to inform KMS about refusal of the order within the stipulated time, it shall be deemed that supplier accepted the order. Parties agreed that partial contract or repeated contract shall be concluded either when KMS receives the acceptance of order from supplier, or by mere lapse of time of supplier for its refusal or acceptance.
- 4.4 Parties agreed that supplier shall not be entitled to claim any compensation of costs related to or connected with the

preparation or delivery of the price quotation. Supplier hereby acknowledges that KMS is not obliged to deliver order to supplier.

- 4.5 Parties agreed that the conclusion of contracts and partial contracts and communication of parties may be realized in electronic form, via email or KMS procurement web portal.
- 4.6 Without prejudice to the other provisions hereof, supplier acknowledges that KMS requires the contract and partial contracts to be concluded in written or electronic form.

5 Provision of Service

Method of Service Provision

- 5.1 Supplier shall provide the service duly, timely and in accordance to this contract.
- 5.2 Supplier shall provide the service with due professional care, in compliance with KMS interests, KMS instructions, legal regulations, decisions of public authorities and technical standards, including technical standards that are not binding which are not at the same time in conflict with the binding technical standards.
- 5.3 Supplier shall provide the service according to description, properties or other specification as laid down in the contract and with the best possible quality. In case the service is not specified in more detail in the contract, supplier shall provide the service fit for purpose for which such service is ordinarily used. If KMS provides to supplier prior to the service provision any samples, inputs, project or other materials, supplier shall provide the service in compliance with them. The same applies if the service is to be provided on the grounds of samples, inputs, project or other materials provided by supplier and approved by KMS. Approval of KMS of samples, inputs, project or other materials provided by supplier does not relieve supplier from any liability or obligation of supplier under the contract.
- 5.4 Supplier shall provide the service without any legal defects; supplier especially undertakes that things, materials, products and other parts of the provided service used by supplier and to which KMS is to acquire the title or other right or which KMS is to otherwise use, will not be a subject to the right of lien or pledge, other rights of third parties, subject to execution proceedings, will not be a part of bankruptcy or restructuring and that supplier will be their unlimited owner at time of their delivery.
- 5.5 Supplier is entitled to provide the service solely within the agreed scope. KMS is not obliged to take over any part of service that exceeds the scope determined in the contract and that is, at the same time, not agreed with KMS in writing, and

KMS is not obliged to pay the price for such part of the service to supplier. If the results of such provided service need to be removed, supplier shall be at the discretion of KMS obliged to remove such results immediately or to compensate KMS for all costs related to such removal.

- 5.6 Supplier undertakes to assure that all equipment, machinery, mechanisms, tools, instruments and personal protective equipment with which supplier fulfils the obligations under this contract are state of art, in good technical condition and have all licences and certificates required by legal regulations, are not harmful substances and do not contain harmful substances. Supplier shall be entitled to use equipment, machinery, mechanisms, tools, instruments or personal protective equipment owned or used by KMS only with the prior written consent of KMS.
- 5.7 If the proper use of the result of service is or will be possible only in combination with the acquisition of another thing, service or right from supplier or from any third party, supplier shall inform KMS about such circumstance prior to the service provision commencement. If supplier fails to inform KMS about the said circumstance, KMS shall not be obliged to take over the result of service and shall be entitled to withdraw from the contract.
- 5.8 If the subject of contract is the obligation of supplier to provide single performance, supplier shall not be entitled to provide the service in instalments, unless KMS stipulates otherwise.
- 5.9 If the obligation of supplier can be fulfilled in several ways, KMS reserves the right to determine the way of performance. Supplier shall inform KMS about possible ways for the fulfilment of obligation. KMS shall be entitled to change the method of fulfilment of obligation without prior consent of supplier.
- 5.10 Supplier shall, without undue delay and not later than before the performance of KMS instructions or use of things provided by KMS, inform KMS in writing about unsuitability of such instructions or things jointly with information about consequences of performance of such instructions or use of such things. If, despite the written information of supplier about the unsuitability of instructions or things, KMS continues to insist in writing on performing or using them, supplier shall not be liable for defects of the service result caused by unsuitability of such instructions or things. However, supplier shall be liable for defects of the service result caused due to KMS instructions and things provided by KMS with respect to which supplier fails to inform KMS about such unsuitability in writing pursuant to this provision.

Place of Service Provision

- 5.11 The place to fulfil the obligation shall be the part of KMS premises determined by KMS. It shall not apply if the nature of obligation implies that the place of is a place different than KMS premises; in such case supplier shall enable KMS to access such another place after prior written notification of KMS and to inspect due provision of service and performance of obligations of supplier under this contract.
- 5.12 If the obligation of supplier to provide service includes the obligation to deliver the goods, the place of delivery shall be the production plant of KMS in Teplička nad Váhom, Slovak Republic, the delivery term shall be DDP INCOTERMS 2010. If the place of delivery of goods shall be different than the territory of Slovak Republic, supplier shall notify KMS in advance and shall obtain the explicit written consent from KMS with such place of delivery.
- 5.13 If supplier provides the service within KMS premises, supplier acknowledges that it is obliged to comply with internal regulations and to proceed according to KMS instructions and with maximum caution in order to prevent damage.
- 5.14 If supplier provides the service in place other than KMS premises, supplier shall, according to KMS instructions, ensure the takeover of things, inputs or documents intended for the provision of service from KMS premises unless KMS stipulates otherwise. Supplier shall use things, inputs or documents solely for the purposes of provision of service for KMS, shall keep them separately from others and shall be liable for their loss or damage as the warehouse keeper. The obligation of supplier to provide service shall be in this case deemed fulfilled only by handing the service result over to KMS.
- 5.15 Unless explicitly agreed so in the contract, supplier shall not be entitled to place its things within KMS premises. If supplier places its things within KMS premises with the prior written consent of KMS, supplier shall duly and clearly mark them. If supplier places its things within KMS premises without the prior written consent of KMS, KMS shall be entitled to remove such things from KMS premises at expenses of supplier, even without prior notification to supplier.
- 5.16 If the obligation of supplier includes the delivery of goods or the part thereof from third countries (ie. non-EU member states), supplier shall arrange customs clearance of the goods or equipment (or part thereof) outside the territory of Slovak Republic, and preferably in Hamburg (Germany) or Koper (Slovenia) in case of sea shipment, or Vienna (Austria) in case air shipment. In the event that the customs



clearance of the equipment (or part thereof) is conducted in Slovak Republic, such customs clearance shall be conducted on behalf and for the account of supplier; the customs duty and VAT shall be paid by supplier. If supplier purchases equipment (or part thereof) in EU member states (ie. from local suppliers), supplier shall furnish to KMS the evidence of acquisition of equipment (or part thereof) within the EU's territory.

Time of Service Provision

- 5.17 If supplier does not provide repeated performance for KMS or if the contract does not specify any period for the provision of service by supplier, supplier undertakes to provide the service within 7 days from the date of contract conclusion.
- 5.18 If the contract specifies either period or time for service provision, supplier shall not provide the service before such specified period or time without prior written consent of KMS.
- 5.19 If supplier does not provide repeated performance for KMS or if the contract does not specify the exact time of the provided service, supplier undertakes to provide the service on business day in time between 7:00 a.m. and 4:00 p.m. Supplier shall inform KMS about the exact time when the service will be provided at least three days in advance, whereas KMS shall be entitled to unilaterally change such time.

Inspection of the Service and Obligations of Supplier

- 5.20 KMS shall be entitled to inspect due provision of the service and fulfilment of obligations of supplier arising from this contract. Parties can execute a written report about the performed inspection.
- 5.21 If it is found that the provided service has defects or shortcomings, supplier shall remove such defects or shortcomings at its own costs and within time determined by KMS.
- 5.22 If supplier fails to remove defects within the stipulated time, KMS shall be entitled to withdraw from the contract.
- 5.23 Inspections and potential removal of defects of service shall be without prejudice to the obligation of supplier to provide the service duly and timely.
- 5.24 If stipulated so in the contract, supplier shall ensure the testing or technical quality check of the service result prior to its handover as agreed in the contract. Costs connected to the test or checks are to be borne by supplier.

Change of Service

- 5.25 KMS shall be entitled to unilaterally change the method of service provision after it has commenced if such change does not cause any increase of price or supplier's costs.

Interruption of Service

- 5.26 KMS shall be entitled to request supplier after the service provision has commenced to interrupt the service provision, and can do so even without stating the reason. Supplier shall in such case interrupt the provision of the service.
- 5.27 If KMS interrupts the provision of service due to the breach of obligation of supplier, especially if such breach results in damage or risk of damage to property, health or environment, such interruption shall not affect the obligation of supplier to provide the service to KMS on time, as well as possible claims of KMS arising from supplier's delay.

6 Subcontractors and Staff

- 6.1 Supplier shall fulfil obligations in person and shall be entitled to fulfil its obligations using subcontractor only with the prior written consent of KMS. Prior written consent of KMS is not required if (i) the share of service provided through subcontractor or subcontractors does not exceed 40 per cent of total value of service, (ii) supplier is obliged to appoint the representative in relation to waste management, or (iii) it relates to obligation connected with the transportation. If supplier fulfils its obligations through a subcontractor, supplier shall be liable in the same way as if it performed by itself. If supplier fulfils the obligations through subcontractor, supplier shall ensure that subcontractor will not perform obligations using another subcontractor.
- 6.2 If supplier fails to pay the agreed remuneration to the subcontractor for duly performed works duly and timely, as a result of which subcontractor notifies KMS of the possibility to interrupt or stop the performance of service provided by subcontractor, or interrupts or stops it, and such interruption or stop could at KMS's sole discretion put due and timely provision of service at risk, KMS shall be, after prior written notification to supplier and lapse of period determined by KMS for remedy, entitled to withhold the payment of invoices to supplier until the moment when the claim of subcontractor is satisfied and such satisfaction is demonstrated. KMS shall not be deemed in delay with payment of its financial liabilities during such period of

- withholding payments and supplier shall not be entitled to claim any legal or contractual sanctions.
- 6.3 KMS shall be at its own discretion entitled to satisfy claims of subcontractor against supplier if KMS informs supplier accordingly in writing and in advance. The agreement on accession to liability pursuant to Section 534 of Civil Code shall come into effect with regard to such claim of the subcontractor against supplier by delivery of KMS's written notice that KMS will satisfy a certain claim of subcontractor against supplier. KMS shall have the claim against supplier for the payment equal to amount paid by KMS to subcontractor in full. KMS shall be entitled to set off the receivable against supplier which arose by the satisfaction of subcontractor's claim against supplier, with any receivable of supplier from the contract irrespective whether due or not.
- 6.4 Staff of supplier is not deemed to be a subcontractor. Staff of subcontractor shall be also deemed the staff of supplier for the purposes of this contract if KMS agreed in writing in advance that supplier is entitled to fulfil obligations using subcontractor or if prior written consent of KMS is not required in this case.
- 6.5 Supplier shall determine and inform KMS about the list of staff prior to the commencement of service provision or at any time during the service provision within KMS premises. Supplier shall appoint a representative authorised to communicate with KMS representatives.
- 6.6 Supplier shall fulfil obligations under this contract only using qualified, trained and skilled staff and within KMS premises only using staff permitted to enter KMS premises, informed about internal regulations and visibly marked with logo or another designation of supplier.
- 6.7 Supplier shall fulfil obligations under this contract only using staff which uses personal protective equipment as required by legal regulations or by KMS, which has all certificates, licences or trainings as required by legal regulations or by KMS, and which is in health condition qualified for the performance of certain activity. Supplier shall assign personal protective equipment to staff at its own costs. Supplier shall bear costs of time spent by the staff at trainings required by KMS.
- 6.8 If the contract does not specify the number of staff, supplier undertakes to fulfil obligations with the minimum number of staff necessary for proper fulfilment of its obligations under this contract.
- 6.9 Supplier is obliged to fulfil all obligations towards the staff, especially to pay the agreed wage and fulfil all statutory and deduction obligations in relation to employment. Supplier shall provide KMS upon its request with the evidence that it paid wages to the staff and fulfilled statutory and deduction obligations in relation to employment. If KMS shall be liable to pay the wages to the staff or to fulfil the statutory or deduction obligations for whatever reason, supplier shall indemnify KMS for all related costs or expenses, irrespective whether these claims are due or not. Provisions of section 14 hereof shall not be affected.
- 6.10 Supplier shall ensure in relation to staff the compliance with all applicable labour regulations of Slovak law, or other applicable law, if it is not Slovak law, especially the prohibition of illegal employment or similar prohibition pursuant to applicable law. Supplier shall perform all legal and factual actions in order to assure that staff is not deemed temporarily assigned to KMS or that there is no transfer of labour rights and obligations from supplier to KMS.
- 6.11 If supplier provides the cross-border service, especially if supplier posts the staff to Slovak Republic or staff is otherwise present in Slovak Republic, supplier shall be able to prove that staff is legally employed pursuant to applicable law. Supplier shall provide KMS and relevant public authority any and all cooperation without undue delay, especially to present the documents (including the translation to Slovak language) which prove that staff is employed in compliance with applicable law. KMS is entitled to interrupt the provision of service if supplier is not able to prove that staff is employed in compliance with applicable law.
- 6.12 If KMS incurs any damage, especially as a result of prohibition to receive service from supplier using staff which is employed illegally, failure to provide cooperation to KMS, failure to prove that staff is employed in compliance with applicable law due to the failure of supplier to (i) adhere to all applicable labour regulations of Slovak law or other applicable law, or (ii) prove that staff is employed in compliance with law, supplier shall indemnify KMS for such damage without undue delay upon KMS's request irrespective whether damage is due or not; damage shall include any cost or expense to be borne by KMS, including penalties or sanctions imposed by relevant public authority and claims of affected employees. Provisions of section 14 hereof shall not be affected.
- 6.13 Supplier undertakes, upon KMS's instruction, to remove from the service provision that member of staff who at the sole discretion of KMS fails to provide service properly, otherwise breaches obligations, harms KMS interests, or behaves improperly. Supplier shall without undue delay substitute such member with another person with at least the same qualification and experience, or will assure the service provision in another manner without undue delay.

7 Handover and Acceptance of Service Result

- 7.1 Supplier shall notify KMS to deliver the service result so that service is provided by supplier within the stipulated time. If supplier is required to send the service result, supplier shall arrange the transport or deliver the service result so that it is delivered to KMS within the time stipulated for the service provision at the latest.
- 7.2 Supplier shall together with the service result deliver to KMS also documents required for the acceptance and proper use of the service result, especially any documents, certificates, protocols, statements, test results if applicable, instructions of operation, repair or maintenance and other technical documentation in Slovak language unless KMS agreed in writing to deliver such documents in another language.
- 7.3 Supplier shall deliver the service result without defects. The service result has a defect if it does not correspond with result or description as specified in the contract, purpose of use, if it does not have properties or specifications stipulated in the contract or includes a legal defect. KMS declares and supplier is aware of the fact that contract is being concluded assuming that service will be provided without any defects.
- 7.4 If the service result has defects upon its delivery which do not prevent the use of the service result, the service result shall be deemed to have minor defects. KMS shall be entitled to accept the service result with minor defects, whereas a list of minor defects shall be written down and KMS shall determine the time in which supplier shall remove them; if KMS does not stipulate such time, supplier shall remove minor defects without undue delay. KMS shall be entitled to unilaterally assess and determine whether a defect is a minor one or not.
- 7.5 KMS shall be entitled to withhold part of the price in the amount of 15 per cent of the agreed price upon the acceptance of service result with minor defects. KMS shall pay the withheld amount to supplier within 30 days from the date of acceptance of the service result without any defects.
- 7.6 If the service result has defects upon the delivery, KMS shall not be obliged to accept the service result. Supplier shall remove defects without undue delay or within time stipulated by KMS. If KMS does not accept the service result due to defects, supplier shall be deemed in delay with the provision of service.
- 7.7 KMS undertakes to accept the service result if the service result is free from defects, tests or checks of the service result if required under the contract were successfully performed, and supplier delivers the documents necessary for the

acceptance and proper use of the service result under this contract.

- 7.8 The service result shall be deemed accepted at the moment of signing the acceptance protocol, service sheet or another similar document by KMS; or, in case supplier shall send the service result, by other written notice by KMS which implies that KMS accepted the service result.
- 7.9 The acceptance of the service result shall not have the nature of inspection of the service result and shall be without prejudice to the claims of KMS from defects. KMS is not obliged to inspect the service result nor arrange its inspection. Provision of Section 562 (1) of Commercial Code shall not apply; KMS shall be entitled to exercise claims from defects of the service result if such defects are notified to supplier after they were actually found or observed by KMS. Provisions of Sections 434, 435 and 562 (2) letters (b) (c) of Commercial Code shall not apply.

8 Risk of Damage and Transfer of Title

- 8.1 Risk of damage to the service result shall pass to KMS upon the moment of acceptance of the service result by KMS under this contract, irrespective whether the place of service provision is KMS premises or another place. If supplier provides service in parts (instalments) with the consent of KMS, the risk of damage to individual parts of the service result shall pass to KMS upon the moment of acceptance of the whole service result.
- 8.2 If supplier received things, inputs or documents from KMS for the purpose of provision of service or part thereof outside KMS premises, supplier shall bear the risk of damage from the moment of their receipt until the moment of their proper delivery to KMS.
- 8.3 If supplier places with the prior written consent by KMS its things at KMS premises, KMS shall be liable for damage on placed things as the warehouse-keeper. If supplier places its things at KMS premises without the prior written consent of KMS, KMS shall not be liable for any damage on such things.
- 8.4 The title to things of KMS, received by supplier, does not pass to supplier.
- 8.5 If supplier provides the service at KMS premises, KMS shall be the owner of the performed result of the provided service, whereas the title to individual parts thereof (materials, products, components or other parts of the performed service result) shall pass to KMS upon the moment of installation (incorporation) of such parts into the performed service result or into KMS property. If such parts are later separated from the performed service result, it shall not have any impact on



the title. Passage of title does not mean the acceptance of the service result or any part thereof.

- 8.6 Unless stipulated otherwise, the title to the service result shall pass to KMS upon the moment of acceptance of the service result or payment of price for the service, whichever occurs earlier.

9 Price

- 9.1 KMS undertakes to pay to supplier the agreed price after the acceptance of service or result thereof unless parties agree on the provision of advance payment prior to the acceptance of service or result thereof. If KMS shall provide the advance payment prior to the provision of service, supplier acknowledges that KMS may require a security in order to secure KMS claims related to the provision of service, especially in the form of bank guarantee, whereas KMS shall inform supplier about the form, amount and terms of security before the conclusion of contract. For avoidance of any doubts, any costs or expenses related to the security shall be borne by supplier.
- 9.2 The price is agreed without the value added tax. The price is agreed and will be paid in Euro.
- 9.3 The agreed price is full and complete, without regard to potential change of input costs of supplier.
- 9.4 If the subject of contract is the provision of service that consists of several separable performances, KMS shall be entitled to request from supplier to divide the price in detail to individual performances or to determine a unit price of performance.
- 9.5 Any costs incurred by supplier in relation to the fulfilment of obligations under this contract are included in the agreed price, especially costs for packaging and transportation, costs for the fulfilment of obligations in waste disposal, insurance premiums, customs or warehousing fees.
- 9.6 If the price for the direct performance of service is agreed on the basis of hourly rate, supplier shall be entitled to the price amount of which is calculated on the grounds of time supplier actually spent for the provision of the service and which was confirmed by the person authorised by KMS by signing the service sheet, acceptance protocol or another similar document. Supplier shall not be entitled to the price for (i) time of transportation to KMS premises and transfers within them unless the transfer itself is not subject of service, (ii) time of breaks during work, and (iii) time spent by supplier at trainings required by KMS.
- 9.7 If (i) the provision of service is the transportation of goods or persons, or (ii) transportation of staff to KMS premises is required for the direct performance of the service (provided

that parties agreed upon it), and the price is agreed on the basis of hourly rate or distance for such transportation, supplier shall be entitled to the price amount of which is calculated on the basis of objectively shortest time or distance that can be selected. The objectively shortest time or distance shall be determined according to the web application Google Maps, irrespective of real time or distance of transportation.

- 9.8 The fact that supplier provides the service on non-business days shall not affect the amount of the agreed price.
- 9.9 Any costs of the supplier for trainings which supplier shall provide for KMS in relation to the provision of service shall be included in the agreed price.
- 9.10 If KMS shall pay to supplier price for month of service provision under the contract and the contract does not last for the whole calendar month, the amount of price agreed for the calendar month shall be calculated on pro rata basis.
- 9.11 For avoidance of any doubts,
- a) supplier shall have the right for the payment of price if supplier provides the service properly and the service provides the expected result, meaning that the service is actually provided,
 - b) the service sheet, acceptance protocol or another similar document shall include all essentials determined by KMS, and
 - c) supplier shall keep records of time during which supplier provides service, including the direct performance of service, and present such records to KMS upon its request.

10 Payment and Invoicing Terms

- 10.1 KMS shall fulfil the monetary obligations to supplier within 30 days from the day following day of delivery of invoice to KMS.
- 10.2 If the due date of KMS monetary obligation that is to be satisfied by payment to the account of supplier falls on the non-working day of rest or another day when KMS's bank does not perform its activity and does not perform the payments, the due date shall be postponed to the next working day when KMS's bank performs such activity. Fulfilment of KMS's liability shall mean the giving the payment transfer order to KMS's bank or remittance of such amount via postal office to the account of supplier.
- 10.3 Any fees of the receiving bank of supplier related to the fulfilment of KMS's financial liability shall be borne by supplier.

- 10.4 Supplier shall submit invoices to KMS pursuant to this contract. The invoice shall include all details as determined by KMS and laws and shall be delivered to KMS pursuant to KMS instructions. If supplier fails to fulfil these obligations, KMS may return the invoice to supplier and maturity of KMS's monetary obligation shall start on the day following the receipt of correct invoice to KMS.
- 10.5 Supplier shall issue electronic invoices. An e-mail message with attachment in .pdf format, sent from the e-mail address of supplier to the invoicing e-mail address of KMS (invoices@kia.sk) and email address of KMS's employee who is authorised to communicate with and is responsible for contractual relationship with supplier shall be deemed to be the electronic invoice. The e-mail shall contain signature of the person authorised to act on behalf of supplier in contractual matters. The electronic invoice shall be issued solely in the .pdf format in order to assure the integrity of content and readability of the invoice. Parties represent that the method of electronic exchange of data ensures the authenticity of origin, integrity of content and readability of the invoice.
- 10.6 Supplier shall issue the invoice on the date of service acceptance at the earliest and not later than within 15 days from the date of service acceptance. Supplier shall deliver the invoice to KMS immediately after its issuance in a manner as specified above. The invoice shall include in addition to essentials prescribed by legal regulations also the contract or order number and designation of KMS's employee (first name and surname), who is authorised to communicate on behalf of KMS and is responsible for the contractual relationship with supplier. Supplier shall attach the service sheet, acceptance protocol or another similar document to the invoice.
- 10.7 When registering in KMS systems, supplier must fill out the registration form which must be signed by statutory body of supplier. Supplier shall deliver KMS the electronic form of signed registration form (scan) from two different e-mail addresses (set out in registration form) to e-mail address vendor@kia.sk.
- 10.8 When supplier is changing its bank account, supplier must present the confirmation from bank on holding an account. Supplier shall deliver KMS the electronic form of bank confirmation (scan) from two different e-mail addresses to e-mail address vendor@kia.sk and the original form to KMS's address. KMS reserves the right to pay to the changed bank account after the receipt of original form of bank confirmation by KMS.
- ## 11 Taxes
- 11.1 Value added tax shall be applied on the price under this contract pursuant to law unless the law stipulates that value added tax shall not apply.
- 11.2 Supplier shall at any time during the term of contract immediately inform KMS about registration of supplier as value added tax payer or cancellation of registration of the supplier as a value added tax payer.
- 11.3 Supplier shall at any time during the term of the contract immediately inform KMS about the decision to proceed pursuant to special arrangement for the tax application based on received payment for the delivery of goods or services pursuant to Section 68d of the Act on Value Added Tax.
- 11.4 If supplier decides to proceed pursuant to the special arrangement for the tax application based on received payments for the delivery of goods or services, but supplier fails to meet any of terms laid down in Section 68d of the Act on Value Added Tax, especially fails to inform KMS with sufficient time in advance about the special arrangement for the tax application, supplier is not listed by the Financial Directorate of Slovak Republic in the list of subjects applying special arrangement for the tax application, or if supplier fails to include in the invoice the formulation saying "tax is applied based on received payment ", it shall be deemed that supplier is not applying the special arrangement of tax application.
- 11.5 If supplier informs KMS about the application of special arrangement additionally, or in case the application of special arrangement is found additionally on the grounds of internal inspection of KMS or on the grounds of tax inspection performed in KMS, supplier shall indemnify KMS for any damage or penalty related to the additional arrangement of deduction of the value added tax due to the tax application based on received payment for the delivery of goods or services.
- 11.6 Foreign supplier shall prior to the commencement and at any time during the provision of the service inform KMS about any tax obligations and facts that affect the price or obligations of KMS, especially facts related to the constitution of permanent establishment in Slovak Republic. Unless supplier agrees otherwise with KMS, any tax which foreign supplier applies shall be borne by foreign supplier. Foreign supplier shall not be entitled to increase the price with tax that is to be applied to the price.
- 11.7 Without prejudice to other provisions hereof, KMS shall be entitled to notify the tax administrator about the conclusion



of contract with supplier for the purpose of fulfilling tax obligations.

- 11.8 Any statements or opinions of KMS in relation to tax obligations provided to supplier shall not constitute any tax advisory on which supplier can rely.
- 11.9 Without prejudice to other provisions hereof, supplier shall be liable and shall hold KMS harmless from the calculation, reporting and payment of any taxes, duties or other tax obligations (including related penalties or other sanctions) imposed on supplier or its employees and subcontractors under the law or decision of authorities of Slovak Republic of other state as a result of their performance under this contract.
- 11.10 Supplier shall indemnify and hold KMS harmless from any damage or loss caused by supplier which KMS may suffer or incur as a result of any obligation or request to pay any tax, duties or other tax obligations (including penalties or other sanctions) by authorities of Slovak Republic.

Liability for Tax

- 11.11 Supplier represents that there are no facts or doubts based of which KMS is or would be in line with legal regulations obliged to be liable for the value added tax instead of supplier. If there are such facts, supplier shall immediately notify them to KMS.
- 11.12 Parties agreed that in case KMS is liable to pay value added tax instead of supplier, including the case when the tax authority of supplier imposes on KMS the obligation to pay the value added tax directly to the tax authority of supplier, KMS will pay to supplier the price decreased by the amount of the value added tax and pay the value added tax directly to the tax authority of supplier to supplier's account (personal account of the taxpayer). The liability of KMS to pay the price for the service under the contract shall be deemed fulfilled by the payment of price and payment of value added tax directly to the tax authority of supplier.
- 11.13 KMS shall prior to the payment of value added tax directly to the tax authority of supplier inform supplier about the intention to pay such tax. Supplier shall notify the personal account of taxpayer or confirm its correctness within 3 working days. If supplier fails to do so, KMS shall pay the value added tax to the personal account as published by the Financial Directorate of Slovak Republic.
- 11.14 If KMS due to any reason cannot pay the value added tax directly to the tax authority of supplier, KMS may retain the amount equal to amount of the value added tax such

tax without any claim of supplier. KMS shall release such retained value added tax to supplier after supplier demonstrates to KMS that supplier was listed in the list of deleted tax payers published by the Financial Directorate of Slovak Republic, or after supplier delivers the statement of the tax authority about non-existence of tax liabilities for the period in which KMS was liable for tax, provided that KMS has already paid the value added tax directly to the tax authority of supplier.

- 11.15 If KMS pays the price to supplier together with the value added tax for any reason, in relation to which there is or arises the obligation of KMS to be liable for value added tax, and at the same time KMS pays such tax to the tax authority of supplier, KMS may request the payment of paid value added tax from supplier or set off such receivable against any obligation owed by KMS to irrespective whether it is due or not.

Permanent Establishment

- 11.16 Foreign supplier shall during the term of the contract and in relation to the performance of service in the territory of Slovak Republic perform all acts necessary to assess whether its activities lead to the establishment of a permanent place of operation for the purposes of tax regulations in the territory of Slovak Republic.
- 11.17 Foreign supplier shall register the permanent place of operation immediately after such it incurs such obligation. The permanent place of operation shall issue invoices in case of such registration.
- 11.18 In case of doubts as to the obligation of establishment of a permanent place of operation or in case the foreign supplier fails to provide KMS a confirmation of the respective tax administrator that the permanent place of operation pays tax advances, KMS shall be entitled to deduce the tax security from the price and to pay to the foreign supplier the price decreased by the amount of tax security. Supplier shall not be entitled to request from KMS reimbursement of the secured tax. Supplier shall be entitled to request the payment of tax from the respective tax administrator.
- 11.19 Foreign supplier undertakes in the case of breaching the obligation to register a permanent place of operation or obligation to notify the registration of permanent place of operation to KMS to reimburse KMS for any damage, including sanctions and penalties, incurred to KMS in such regard.



Withholding Tax

- 11.20 If the price is or will be subject to any withholding tax, KMS may decrease payments of the agreed price by amount equal to the amounts of the withholding tax.
- 11.21 Supplier shall not be entitled to request from KMS reimbursement of the paid withholding tax. Supplier shall be entitled to request the payment of tax from the respective tax administrator.
- 11.22 KMS shall provide supplier with information about withheld tax and cooperation in relation to the acquisition of confirmation about the withheld tax.
- 11.23 Supplier shall identify part of service and unit price thereof that is subject to the withholding tax. Otherwise KMS shall be entitled to deduct the tax for the whole provided service.

12 Warranty Period and Liability for Defects

- 12.1 Supplier shall be liable for defects the service result has upon acceptance or which will arise or appear during the warranty period, without regard to the time of occurrence. After the said period supplier shall be liable for defect if it was caused by default of supplier.
- 12.2 Supplier shall assume the liability from warranty for quality of the result of the provided service. The warranty period shall start on the date of transfer of the risk of damage to the service result to KMS. Unless stipulated otherwise, the warranty period shall be 24 months. The warranty period shall be 60 months if the service includes construction works or construction, modification or repair of building. Supplier acknowledges that for the purpose of security of claims from defects KMS may require such security, including by bank guarantee or right to lien for the period of warranty. KMS shall inform supplier about form, amount and terms of security before conclusion of the contract. For avoidance of any doubts, any costs or expenses related to the security shall be borne by supplier.
- 12.3 If supplier acquired the service result or any part thereof from a third party or manufacturer, to which the warranty period of the third party or manufacturer applies, the duration of warranty period that ends later shall apply.
- 12.4 Supplier undertakes to transfer to KMS any rights arising from defects of the service result towards third party or manufacturer without undue delay after receipt of KMS's request. If rights from defects are not transferable or KMS is not entitled from defects due to other reason, supplier undertakes to provide KMS with any cooperation and to perform any legal acts and other acts for achieving that

KMS is entitled from defects, especially supplier shall grant KMS power of attorney to exercise claims from the liability for defects against third party or manufacturer on behalf of supplier. Fulfilment of such supplier's obligation does not relieve supplier from the liability for defects of the service result.

- 12.5 The warranty period shall not run during time when KMS cannot use the service result due to defects for which supplier is liable. The warranty period shall start to run again only on the day following the date of written confirmation by KMS about the defect removal. In case of exchange or replacement of the service result or any part thereof the warranty period shall start to run again on the day following the date when KMS receives exchanged or replaced service result or any part thereof.

Execution of Rights from Liability for Defects

- 12.6 Parties agreed that the provision of Section 345 (2) of Commercial Code shall not apply and the service result with defects shall always constitute a material breach of the contract; for avoidance of any doubts, provisions of Section 437 of Commercial Code shall not apply.
- 12.7 KMS is in case of supplier's liability for defects entitled to claim the defect in writing after KMS actually finds such defect. When claiming a defect KMS can also determine the selected claim. Supplier shall after the delivery of notice about claiming defect inform KMS without unnecessary delay about acceptance or reasoned non-acceptance of such defect.
- 12.8 If the service result has defects, KMS without regard to the seriousness of the defect or impact on other rights and claims of KMS (including the claim for damages and contractual penalty) may always at its own discretion:
 - a) request removal of defect by delivery of alternate service result instead of service result with defects or missing part of the service result at expense of supplier,
 - b) request removal of defect by repair of the service result at expense of supplier, if the defect can be repaired,
 - c) request the removal of legal defects at expense of supplier,
 - d) request adequate discount from the price, or
 - e) withdraw from the contract.
- 12.9 If KMS requests the removal of defect, supplier shall start the removal without unnecessary delay, not later than

within 2 working days from the date of claiming such defect, unless KMS determines another period of time including a shorter one (including immediate start) in case of serious threat to life, health, property or production of KMS. Supplier shall remove the defect immediately after the start of removal.

- 12.10 Supplier shall start to remove and remove the defect without regard to whether or not supplier accepts the defect claimed by KMS. If supplier proves after the defect removal that supplier was not responsible for the defect, supplier shall be entitled to request from KMS the payment of justified and reasonable costs which supplier incurred in relation to the defect removal.
- 12.11 Parties shall after the defect removal execute a written protocol or another document in which they shall confirm the defect removal and method and time of such removal.
- 12.12 KMS may additionally change the selected claim for repair of the service result if the defect cannot be repaired or can be repaired only with unreasonable costs.
- 12.13 If KMS executed the claim from defects and at the same time had not yet paid the price or any part thereof to supplier, KMS shall not be obliged to pay the price or any part thereof to supplier until claims of KMS from the liability for defects are satisfied.
- 12.14 If KMS is under this contract entitled to a reasonable discount from the price and parties cannot reach an agreement of its amount, such discount shall be stipulated as the sum of (i) difference between the value of the service result without defects and value of the service result with defects and (ii) costs of KMS related to the removal of defects, whereas the time of the exercise of the claim is determinative for specification of the value of goods. If KMS applies the discount from price before supplier issues the invoice, supplier shall reduce the invoiced price by the discount from price. If KMS applies the discount from price after the invoice is issued, parties agreed that if KMS decides so, tax basis and tax shall not be changed.
- 12.15 In case the service result has the legal defects supplier shall, in addition to satisfying claims of KMS from defects, provide KMS upon its request and without undue delay with any reasonably required cooperation and pay any costs which KMS may suffer or incur in relation to the claim of third parties and to defence of KMS against such claims, including claims of third parties, fees or expenses of the third parties of the court decision or settlement agreement and related consultancy fees or expenses of KMS.

Execution of Rights from Liability for Defects in case defects are not removed

- 12.16 If supplier does not start to remove defects, informs KMS that it will not remove defects or will not remove defects on time, KMS may regardless to the seriousness of the defect or impact on other rights and claims of KMS (including the claim for damages and contractual penalty) at its own discretion:
- withdraw from the contract,
 - request adequate discount from the price, or
 - remove the defect by itself or through a third party at expense of supplier, without prejudice to the term of the warranty period.
- 12.17 If KMS removes the defect by itself or through a third party, supplier shall pay to KMS the amount equal to the own costs of KMS or usual price of the third party invoiced to KMS. Supplier acknowledges that KMS shall be entitled to require from supplier for the procurement of third party a fee not exceeding 5 per cent of the price of the third party.

13 Representations and Warranties of Supplier

- 13.1 Parties agreed that representations of supplier contained herein shall have the nature of its undertakings. Supplier represents in relation to all obligations arising from or related to the contract that supplier:
- has and will have during the term of performance of obligations under this contract any and all permits, licences and approvals required by legal regulations in relation to the performance of its obligations arising from this contract,
 - will comply with all legal regulations and decisions of public authorities related to the provision of service, as well as all obligation contained in the contract,
 - prior to the conclusion of the contract received all and any information necessary for the performance of obligations under the contract, and
 - prolongs the limitation period so that any right KMS may be entitled to towards supplier under or in relation to the contract shall be exercised not later than 10 years from the date when the limitation period of such right of KMS started to run.

- 13.2 Parties further agreed that:

- a) if supplier (as processor) will during the term of the contract process personal data on behalf of KMS (as controller), parties shall prior to the start of personal data processing conclude a separate agreement on personal data processing, on the grounds of which KMS shall authorise supplier to process personal data,
- b) if the law requires provision of reasonable additional period to perform the obligations of supplier prior to exercise of any claim or right by KMS, KMS shall not be obliged to provide to supplier reasonable additional period to perform the obligation,
- c) supplier may not assign or transfer any of its rights and obligations under the contract without the prior written consent of KMS and may not set off any obligation due from KMS against any obligation owed by KMS to supplier,
- d) the provision of service is not suitable with the performance of lien by supplier, and
- e) any company from the group to which KMS belongs shall be entitled to assume from KMS liabilities of KMS arising from the contract, also without prior consent of supplier.

14 Liability for Damage and Insurance

- 14.1 Each party shall be liable for damage caused by violation of contractual or statutory obligation arising from this contract or in relation to it to the other party pursuant to relevant legal regulations.
- 14.2 KMS shall be liable to supplier for damage caused by violation of its obligation by the fault. KMS shall not be liable to supplier for lost profit, consequent or indirect damage.
- 14.3 Supplier undertakes to indemnify KMS for costs KMS may suffer or incur as a result of penalties or other sanctions imposed by public authorities in relation to the provision of service under this contract or failure to provide service under this contract duly and timely.
- 14.4 If the special regulation requires supplier to conclude an insurance policy, supplier shall conclude the insurance policy with a minimum limit of insurance indemnity as required by the special regulation. Based on KMS request, supplier shall demonstrate the existence of such insurance policy. If supplier fails to conclude the insurance policy or fails to demonstrate its existence upon the request of KMS, KMS shall be entitled to withdraw from the contract.
- 14.5 In case the preceding clause does not apply and if KMS requires so, supplier shall prior to the start of service provision conclude and provide KMS with evidence about

at any time upon its request the insurance of liability for damage in relation to the service provision with the limit of insurance indemnity of adequate amount. KMS shall be entitled to unilaterally assess and determine whether the limit of insurance indemnity is adequate. For avoidance of any doubts, the limit of insurance indemnity shall in no case limit the supplier's liability. Supplier undertakes to maintain the insurance policy valid until the end of the warranty period. If supplier fails to conclude the insurance of liability pursuant to this clause or fails to demonstrate its existence upon the request of KMS, KMS may withdraw from the contract.

15 Environmental Protection

- 15.1 Supplier acknowledges that KMS has implemented and performs its business activities in accordance with the standards of environmental management system ISO 14001.
- 15.2 Supplier undertakes during the service provision to comply with all environmental protection regulations and instructions of KMS, prevent any damage to environment and provide KMS with any cooperation in case the environmental protection is at risk.
- 15.3 If supplier handles chemical substances or mixtures during the provision of the service, supplier shall comply with all regulation related to the manipulation with chemical substances and mixtures, especially the REACH Regulation and the CLP Regulation. Supplier shall especially:
 - a) deliver to KMS sufficiently in advance of the service provision a list of chemical substances which supplier will use for the service provision,
 - b) if its concerns harmful substances deliver to KMS safety data sheet and assure its presence in place of usage of such substances,
 - c) properly mark packages of chemical substances, especially with clear and visible designation of the supplier, name of chemical substance, registration number, warning symbols and description labels pursuant to legal regulations, and secure them against undesirable leakage,
 - d) use only those chemical substances which were duly notified to KMS by the supplier in advance and to which KMS had no objections, and
 - e) substitute those chemical substances to which KMS had objections with a suitable substitute chemical substance.

- 15.4 Supplier shall manage packages and waste in compliance with legal regulations and instructions by KMS. Supplier shall in regard to waste management especially:
- a) collect waste sorted and separated according to the type of waste and secure waste against deterioration or undesirable leakage,
 - b) provide evaluation or disposal of created waste at own cost of supplier, and
 - c) keep records of volume, type and the origin of waste received for disposal or evaluation and submit to KMS evidence about disposal or evaluation of waste.
- b) appoint a responsible person authorized to assign work tasks to staff and organise, manage and control performed work,
 - c) appoint coordinator for the safety at the workplace,
 - d) takeover and ensure designation of received workplace with safety markings,
 - e) inform KMS about the occurrence and detailed description of injury, fire, accident, near miss and provision of first aid, without regard to the consequences, for the purpose of investigation and taking of measures and fulfil all obligations towards relevant public authorities.

16 Compliance with Internal Regulations

- 16.1 Supplier undertakes to comply with all internal regulations.
- 16.2 Supplier undertakes especially to:
- a) perform all actions which KMS requires and which are necessary for the access of staff into KMS premises,
 - b) inform staff about internal regulations, require due compliance with internal regulations and check knowledge of internal regulations on a regular basis,
 - c) ensure the attendance of staff at trainings organised by KMS or trainings reasonably required by KMS,
 - d) ensure that staff enters KMS premises only for the purpose of provision of service and only in time when supplier provides service, and
 - e) fulfil any orders and instructions of KMS and other obligation stipulated by legal regulations or special agreement between KMS and supplier.
- 16.3 Supplier undertakes to fulfil all obligations during the provision of service at KMS premises for violation of which supplier shall pay contractual penalty under this contract or under special agreement concluded between parties.

Occupational Health and Safety

- 16.4 Supplier undertakes to comply during the service provision with all legal regulations and instructions by KMS related to the occupational health and safety and fire protection. Supplier shall especially:
- a) provide the service only using staff which fulfils the requirements under this contract,

17 Confidentiality

- 17.1 Supplier undertakes to maintain confidential information in confidence, particularly by protecting confidential information from unauthorised disclosure, provision, theft, loss or damage, not to disclose or provide confidential information to third parties in any form, to use confidential information solely for the purpose related to the subject of contract, and to perform all actions necessary to keep confidential information in confidence and to maintain their secrecy.
- 17.2 Confidential information shall include any documents, data or information, in written or oral form, which supplier learns or obtains during negotiations prior to contract conclusion or in relation to the contract performance, including business secret or information about KMS, its functioning, operation, facts that take place in the presence of supplier at KMS premises or other information which by itself or in combination with other information could threaten or harm rights and legally protected interests of KMS in any manner. Confidential information shall also include any information provided by KMS during negotiations prior to contract conclusion, even if KMS did not identify such information as confidential, as well as the content of this contract (with the exception of terms and conditions).
- 17.3 Confidential information shall not include information which are now or in future becomes public knowledge otherwise than by breach of this contract by supplier. If there is a doubt as to whether information is confidential or not, it shall be deemed that it is confidential information unless supplier proves otherwise.
- 17.4 Supplier shall take and fulfil necessary security, technical and organisational measures based on which supplier will meet and maintain confidentiality obligation.

- 17.5 Supplier shall not breach the confidentiality obligation if supplier provides confidential information to its employees, cooperating individuals or external counsellors, to whom it is necessary to provide confidential information, and provided that supplier instructs such individuals about the obligation of supplier to maintain confidentiality. Supplier acknowledges that it shall be liable for the breach of confidentiality obligation also in case such obligation is breached by the mentioned individuals.
- 17.6 Confidentiality obligation shall not apply to confidential information which is required to be disclosed by the order of court or public authority pursuant to legal regulations. Supplier shall in such case inform KMS prior to the disclosure of confidential information.
- 17.7 Obligation of supplier to maintain confidentiality under this contract shall be agreed for unlimited period of time without regard to the term of this contract.
- 17.8 Obligation of supplier to maintain confidentiality under this contract shall be without prejudice to the validity of supplier's obligations to maintain confidentiality (including related obligations or security) under special agreement concluded or to be concluded between parties.
- 17.9 Supplier shall not without the prior written consent of KMS identify KMS as a business partner, or to use business name, trademarks or logo used by KMS in relation to its products or activities, in promotion of its entity or activity.

18 Intellectual Property Rights

Intellectual Property of KMS

- 18.1 If KMS provides supplier for the purpose of performance of obligations under this contract with any documentation or another object protected as a business secret or by right of industrial or intellectual property (hereinafter referred to as the **object of KMS's intellectual property**), the object of KMS's intellectual property shall be the sole property of KMS.
- 18.2 KMS grants to supplier consent (licence) to use the object of KMS's intellectual property solely for the purposes of performance of obligations under the contract and for the term of the contract. For avoidance of any doubts, this shall be without prejudice to obligation of supplier to maintain confidentiality.
- 18.3 If KMS provides supplier with the object of KMS's intellectual property for the purpose of service provision, supplier shall not be entitled to provide the service result to persons other than KMS.

Protected Service Result

- 18.4 If the service result is protected by the right of supplier of industrial or other intellectual property, including copyright and right related to copyright, supplier hereby grants to KMS a consent (licence) or any other rights for the performance of rights from the industrial or other intellectual property for the purpose of proper use of the service result in any manner of use, including its provision to the third parties, its repair, modification or destruction, and within the scope of this contract. The remuneration for granting the consent (licence) under this contract shall be included in the agreed price.
- 18.5 The consent (licence) provided to KMS under this contract is territorially unlimited, is given for the whole duration of property rights of the author or originator of the object of industrial property or other intellectual property, is transferable, with the right to provide sub-licences to another party and is assignable to another party, and in each case without the prior consent of supplier.
- 18.6 Supplier shall settle all legal relationship with other parties that created or supplied the service result or any part thereof, especially by entering into the relevant copyright and other agreements so that such parties do not have any claims from KMS resulting from moral, copyright, industrial rights, rights related to copyright or any other similar rights in relation to proper performance of supplier's obligations under this contract.
- 18.7 Supplier undertakes that the service result or its use in line with this contract does not and will not breach or interfere any rights of another party from industrial or other intellectual property. If supplier fails to fulfil this obligation, supplier shall indemnify KMS for damage, without prejudice to KMS's rights from liability for defects.
- 18.8 If supplier in the course of service provision creates a work that is a patented invention, technical solution protected by utility model, design or another object of industrial property, supplier shall, after the acquisition of such rights, inform KMS and grant KMS exclusive and unlimited consent (licence) to use such work for the duration of effective term of rights to work.
- 18.9 Without prejudice to other provisions hereof, any limitations, confidentiality obligation or maintenance of secrecy of materials, rights or information related to service which may prevent KMS from proper use of service result, especially its modification or repair even when used, modified or repaired by the third person, shall not apply to KMS.



19 KMS Code of Ethics

- 19.1 Supplier represents that it is familiarised with the fact that within the conclusion of relationships and their performance and within the performance of business activities KMS complies with its Code of Ethics which is published at KMS website and with which supplier was familiarised.
- 19.2 Supplier undertakes to reasonably comply with the principles and liabilities arising out of KMS Code of Ethics within the performance under this contract.
- 19.3 Supplier undertakes to immediately inform KMS if supplier has been in relation to this contract or performance arising from or related to it asked for or learned about request of any party for a benefit that could be deemed to constitute a violation of KMS Code of Ethics. Supplier shall notify KMS prior to the start of service provision or at any time within the performance thereof about any potential conflict of interests of KMS's employee who concluded the contract on behalf of KMS or participated in the negotiation of contract.
- 19.4 Supplier undertakes to implement and assure the application of reasonable internal control mechanisms and measures in order to assure the compliance with KMS Code of Ethics.
- 19.5 Supplier undertakes to allow and agrees that KMS may inspect the fulfilment of obligations of supplier related to the compliance with principles and obligations arising out of KMS Code of Ethics including the inspection the purpose of which is to verify motion or incentive submitted under the Act on Certain Aspects of Whistleblowing.
- 19.6 Supplier acknowledges the possibility to inform KMS about cases or suspicions of violation of KMS Code of Ethics via KMS website, contact details published at KMS website and any other manner available in KMS.

20 Notices

- 20.1 Parties agreed that legal acts or notices addressed to the other party shall be made in written or electronic form and in language that governs these terms and conditions; KMS shall be always entitled to deliver legal act or notice in English language.
- 20.2 Legal acts and notices in written form shall be delivered to the address registered as the registered office or place of business of respective party in the Trade Licences Register or Business Register or to the address as determined in writing by the other party.
- 20.3 Legal acts and notices in electronic form shall be delivered to electronic addresses notified by parties to each other continuously during the term of contract. Supplier

undertakes to have constant and safe access to electronic address available to receipt the e-mail. Legal acts and notices shall be deemed delivered when sending party sends the e-mail to the other party. If the day of electronic delivery falls on Saturday, Sunday or public holiday, the legal act or notice shall be deemed delivered on the following working day.

- 20.4 The written documents shall be deemed delivered also if party refuses to receive the written document or makes the delivery impossible by its neglect or otherwise; in such case the written document shall be deemed delivered on such day, or in case the delivery of written document fails due to the fact that shipment was not took over within the delivery period or due to the fact that the addressee was not reached, was unknown or due to another reason identified by post office on the shipment, the written document shall be deemed delivered on the date of deposition of the shipment at the post office.

21 Term and Termination of Contract

- 21.1 If the subject of contract is single time performance, the contract shall terminate by the fulfilment of all obligations of parties.
- 21.2 If the subject of contract is repeated performance or if parties conclude a contract with nature of framework agreement, the contract shall be terminated when the term for which it is concluded expires.
- 21.3 Contract may be terminated prior to the term by a written agreement of parties, written termination notice or withdrawal from the contract by KMS, irrespective whether the subject of contract is a single time performance or whether the contract is concluded for a definite or indefinite period of time.

Termination Notice

- 21.4 If the contract is concluded for an indefinite period of time, both parties may terminate contract, also for convenience.
- 21.5 If the contract is concluded for a definite period of time or for a single time performance, KMS shall have the right to terminate the contract, also for convenience.
- 21.6 In case the contract is terminated by KMS, the notice period shall be at least 2 months. In case the contract is terminated by supplier, the notice period shall be at least 3 months.
- 21.7 The termination notice shall be executed in written form. The notice period shall start to run on the first day of calendar month following the month in which the written termination notice was delivered to the other party. The

notice period shall end on the last day of the last month of the notice period.

- 21.8 In case of termination notice by any of parties, KMS shall take over from supplier the result of service in condition in which it is in time the notice period ends, provided that the service result is free from defects taking into account such condition. KMS undertakes to reimburse supplier for the price in the amount equal to amount by which KMS was enriched.

Withdrawal from Contract

- 21.9 KMS shall be entitled to withdraw from the contract or partial contract, if KMS is entitled to withdraw under this contract, due to material breach of obligation of supplier, due to failure to remedy the minor breach of the obligation of the contract by supplier within a reasonable additional period, or if it is prescribed by the law.

- 21.10 KMS shall be entitled to withdraw from the contract if supplier is in delay with the fulfilment of obligation due to circumstances excluding supplier's liability if such circumstance lasts for more than 30 days.

- 21.11 Withdrawal from contract or partial contract shall be executed in written form. The term of contract or partial contract shall expire when the withdrawal is delivered to supplier with immediate effect.

- 21.12 KMS shall be entitled to withdraw from the contract on the grounds of substantial breach of obligation of supplier also in case the breach relates only to a partial contract or part of supplier's liability.

- 21.13 KMS shall be entitled to withdraw from the contract also in case KMS does not deliver the withdrawal to supplier without unnecessary delay after KMS learned about such breach, or supplier has remedied the breach until the time withdrawal was delivered.

- 21.14 Material breach of contract shall include in particular:

- a) delay of supplier with the start of service provision or delay of supplier with proper handover of the service result for more than 10 days,
- b) loss of supplier's authorisation to provide the service,
- c) repeated charge of price higher than the agreed price,
- d) creation of KMS's obligation to be liable for the value added tax of supplier,
- e) breach of the ban on assignment of receivable without the prior consent of KMS,
- f) repeated breach of obligation that may be sanctioned with contractual penalty,

- g) breach of obligation to enable the performance of inspection of fulfilment of supplier's liabilities,
- h) breach of confidentiality,
- i) breach of obligation arising from the environmental protection or repeated breach of obligation to comply with internal regulations,
- j) action of the supplier contrary to legal regulations related to the competition or antitrust or contrary to KMS Code of Ethics, and
- k) any action of supplier which is contrary to legal regulations or obligations laid down in this contract related to taxes.

- 21.15 If terms and conditions related to the breach of contract require repeated action or omission of supplier, it shall mean such action or omission of supplier occurs more than one time irrespective of the time interval.

Consequences of Contract Termination

- 21.16 The end of contract term shall be without prejudice to:

- a) duration of the claim of KMS, which arose before the end of contract term, irrespective whether KMS exercised it until the end of contract term or not,
- b) duration of obligation of supplier to maintain confidentiality,
- c) validity and conditions of supplier's consent (licence) for the performance of rights from industrial or other intellectual property,
- d) choice of governing law and arbitration clause.

- 21.17 Supplier shall hand over to KMS prior to the end of the contract term or immediately after the end of contract term:

- a) all things, inputs or documents which KMS provided to supplier,
- b) power of attorney issued by KMS.

- 21.18 Parties agreed that the application of Section 351 (2) Commercial Code is excluded in case of withdrawal from the contract as a result of which parties are not obliged to return each other mutual performances provided properly. For avoidance of doubts, parties explicitly agreed that if only KMS had properly provided performance, supplier shall return the received performance to KMS.



22 Contractual Penalties

General Provisions on Contractual Penalties

22.1 If the contract, terms and conditions or special agreement concluded between KMS and supplier stipulates that supplier shall pay contractual penalty for breach of certain obligation, KMS may claim from supplier contractual penalty in the amount stipulated therein, whereas the following shall apply:

- a) supplier shall fulfil the obligation secured with contractual penalty also after its payment,
- b) payment of contractual penalty shall be without prejudice to the claim for damage which KMS may incur or suffer in relation to the breach of the respective obligation and which exceeds the amount of contractual penalty,
- c) circumstances excluding liability of supplier shall not affect the obligation to pay the contractual penalty,
- d) end of the contract term shall be without prejudice to the obligation of supplier to pay the contractual penalty, although the claim for contractual penalty has not been exercised by KMS until the withdrawal is effective, and
- e) supplier shall pay the contractual penalty in the agreed amount for each single breach of the secured obligation.

22.2 Supplier acknowledges that KMS may claim from supplier contractual penalty even if KMS does not provide supplier with an additional period of time for remedy of breach.

22.3 Parties represent that they consider respective amounts of contractual penalties to be reasonable with regard to the value and significance of secured obligations.

22.4 Provisions of terms and conditions about contractual penalties shall not affect the validity of provisions of special agreements concluded between parties prior to the conclusion of the contract or concluded between parties after the conclusion of the contract and which include the liability of supplier to pay the contractual penalty for the breach of secured obligation. In case of conflict between the contract and special agreement, the provisions of special agreement shall prevail.

22.5 Contractual penalty shall be paid by supplier within 30 days from the date when claim was exercised by KMS in writing.

22.6 In case the amount of contractual penalty is stipulated in the contract as a certain percentage of the price, price excluding value added tax (if applicable) shall be used for the purpose

of calculating the contractual penalty. If KMS shall under the contract pay to supplier price for month of service, price excluding value added tax (if applicable) for the period of 12 months shall be used for the purpose of calculating the contractual penalty. In case the price is agreed on hourly rate and service has not been delivered to KMS yet, price excluding value added tax (if applicable) that would belong to supplier for the number of hours expected by the contract for the provision of service or for 200 hours of provided services in case the contract does not include any specific number of hours that should be provided, shall be used for the purpose of calculating the contractual penalty.

Contractual Penalties

22.7 Parties agreed that if supplier violates its following obligations KMS may claim from supplier the payment of following contractual penalties. If supplier (including supplier's staff):

- a) fails to start with the provision of service or interrupts the service provision without a reason, KMS may claim from supplier the payment of contractual penalty in the amount of 10 per cent of the agreed price,
- b) fails to provide the service or fails to deliver the service result on time, KMS may claim from supplier the payment of contractual penalty in the amount of 0.1 per cent of the agreed price for each started day of delay,
- c) fails to start the removal of defects or fails to remove defects on time, KMS may claim from supplier the payment of contractual penalty in the amount of 0.1 per cent of the agreed price for each started day of delay,
- d) breaches the obligation to issue the invoice duly and on time, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 20,
- e) passes through production premises at KMS premises without authorisation, KMS may claim from supplier the payment of contractual penalty in the amount EUR 100,
- f) breaches the obligation to smoke only within reserved places, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 100,
- g) breaches the obligation to use personal protective equipment, KMS shall be entitled to request from the supplier the payment of contractual penalty in the amount of EUR 100,

- h) breaches the obligation to use personal protective equipment during works at height and over free depth or to secure workplace above which work at height or over free depth is performed, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 300,
- i) breaches obligation to use reserved technical equipment only with relevant authorisation, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 400,
- j) breaches the obligation to assure that equipment, machinery, mechanisms, instruments and tools supplier uses within KMS premises are in good technical condition and have all permits and certificates, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 400,
- k) breaches the obligation to safely operate high-lift truck, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 400,
- l) breaches the obligation to perform works with fire risk only with the prior written consent of KMS, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 400,
- m) breaches the obligation to perform works with fire risk in compliance with the prior written consent of KMS, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 450,
- n) breaches the obligation to assure safe performance of work with regard to disconnection and securing of machinery and technical equipment from all kinds of energy in case of failure, maintenance, repair, reconstruction, modernisation and activities related to operation of equipment, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 300,
- o) breaches the obligation to secure work means or equipment against unauthorised use, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 100,
- p) breaches the obligation imposed by safety markings, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 300,
- q) breaches the obligation to provide documents and cooperation to KMS in case of inspection and investigation of causes of occurrence of fire, injury or dangerous event, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 200,
- r) breaches the obligation not to damage, dismantle without reason, or reduce the ability of fire equipment in any manner and not to obstruct free access to the fire equipment, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 300,
- s) breaches the obligation arising from rules related to eAccess to KMS premises (for example enter into KMS premises for short time performance as visitors), KMS may claim from supplier the payment of contractual penalty in the amount of EUR 400,
- t) breaches the obligation not to enter KMS premises under the influence of alcohol and not to perform the service within KMS premises under the influence of alcohol, KMS may claim from supplier the payment of contractual penalty in the amount of (i) EUR 165 in case the result of alcohol test is in range from 0.15 to 0.48 mg/l, and (ii) EUR 300 in case the result of alcohol test is in range from 0.49 mg/l and higher,
- u) breaches the obligation not to enter KMS premises under the influence of narcotic and psychotropic substances and not to perform the service within KMS premises under the influence of narcotic and psychotropic substances, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 300 in case of positive result,
- v) breaches the obligation to undergo the test of influence or presence of alcohol, narcotic or psychotropic substances within KMS premises, or the obligation not to bring alcohol and said substances to KMS premises, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 300,
- w) breaches the obligation to comply with speed limit when driving a motor vehicle within KMS premises, KMS may claim from supplier the payment of contractual penalty in the amount of (i) EUR 30 if the speed limit was exceeded by 0 to 9 km/h, (ii) EUR 50 if the speed limit was exceeded by 10 to 19 km/h, (iii) EUR 70 if the speed limit was exceeded by 20 to 29 km/h, (iv) EUR 100 if the speed limit was exceeded by 30 to 39 km/h, and (v) EUR 165 if the speed limit was exceeded by 40 km/h and more,
- x) breaches the obligation not to damage or loose the access identification card or permit for vehicle access to KMS premises, KMS may claim from supplier the payment of contractual penalty in the amount 15,
- y) breaches the obligation not to take out any property not belonging to supplier and for taking of which the



supplier has no permission, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 300,

- z) breaches the obligation not to make a photograph or video in or of KMS premises without the prior consent by KMS, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 200, and
- aa) breaches the obligation to inform KMS about chemical substances which supplier will use in the provision of service, obligation to use only those chemical substances which supplier duly notified to KMS and to which KMS had no objections, obligation to deliver safety data sheet and to assure the presence of such SDS or the obligation to mark packages of chemical substances with warning symbols and description labels pursuant to legal regulations, KMS may claim from supplier the payment of contractual penalty in the amount of EUR 1000.

23 Governing Law and Arbitration Clause

- 23.1 This contract, any partial contract, and non-contractual obligations arising out of or in connection with it are governed by Slovak law without regard to its conflict of laws.
- 23.2 This contract and any partial contract is concluded as innominate contract pursuant to Section 269 (2) of Commercial Code. Parties agreed that the application of provisions of Slovak law which are not of mandatory nature shall be excluded to the extent to which it could change the meaning or purpose of any provision of this contract.
- 23.3 All disputes arising out of or in connection with the contract, including the disputes concerning its validity, interpretation or annulment, shall be settled before the Court of Arbitration of the Slovak Chamber of Commerce and Industry in Bratislava in conformity with its internal rules and regulations. Decision of Court of Arbitration shall be binding in parties. Parties agreed that KMS may bring an action against supplier also in state court without prior consent of supplier; in such case arbitration clause ceases to exist.

24 Special Provisions and Interpretation

- 24.1 Provisions of the contract agreed by parties separately in written form shall prevail in case of conflict with terms and conditions. Change of clause 2.2 of terms and conditions can be agreed only in written form physically signed by the authorised person of KMS and in such formulation which

makes it undisputable that the application of terms and conditions is explicitly excluded.

- 24.2 In case of conflict between the contract and partial contract, the partial contract shall prevail if concluded in written form.
- 24.3 Parties agreed that failure of parties to reach additional agreement about non-essential part of contract shall not affect the validity of the contract.
- 24.4 This contract can establish rights of third parties. Consent of third parties, if they are not parties to the contract, will not be required for the change or termination of contract, also in case such change or termination may affect rights of such third parties arising for them under this contract.
- 24.5 If these terms and conditions generally refer to contract, the contract shall mean the contract and terms and conditions.
- 24.6 If any provision of the contract becomes invalid or unenforceable, it shall not affect the validity and enforceability of remaining provisions of the contract and terms and conditions. In case any of provisions is or will later become invalid or unenforceable, parties undertake to replace it with a provision as close to the original will of parties and purpose under the contract as possible.
- 24.7 Any failure or delay of KMS to perform the contract or exercise any right or remedy under the contract, in part or in whole, shall not release supplier from any obligations under the contract and shall not be deemed to be a waiver of any right. If KMS remits a supplier for the breach of its obligations, or waives any performance to which supplier is obliged, it shall not be deemed to be relief of obligation or waiver of right arising from another or following breach of obligation and shall be without prejudice to other provisions of this contract.
- 24.8 Without prejudice to any other provision herein, no rights which may be available for KMS under the legal regulations shall be affected.
- 24.9 This contract shall constitute entire agreement of parties and substitutes all previous agreements of parties related to the subject of this contract, which shall expire by the conclusion of this contract, unless the contract or terms and conditions stipulate otherwise.
- 24.10 If terms and conditions refer to the legal regulations, such references shall include also references to legal regulations that will replace or substitute the original regulations; it shall apply also in case of subsequent replacement or amendment of regulations.
- 24.11 Headings of individual sections of terms and conditions are solely of informative nature and serve as a specification of content of the respective section.



- 24.12 Unless context requires otherwise, terms given in terms and conditions in singular form shall include also plural forms and vice versa.
- 24.13 Terms and conditions are executed in Slovak and English language. In case of conflict between language versions the Slovak version shall prevail in case supplier's registered office or place of business is in Slovak Republic or in Czech Republic, the English version shall prevail in any other case.

25 Amendment of Contract and Terms and Conditions

- 25.1 Parties agreed that the contract can be changed only by agreement of parties in written form, unless this section of terms and conditions stipulates otherwise.
- 25.2 KMS shall be entitled to propose an amendment of contract or of terms and conditions at any time in writing. If supplier fails to deliver to KMS a written and reasonable refusal of such amendment within 7 days from the date of delivery of the proposal to supplier, it shall be deemed that supplier agreed with such amendment. Such amendment shall become effective either by mere lapse of period for delivery of written refusal or on the later day as given in the amendment proposal.

Supplier hereby acknowledges and confirms that it was informed of the content of terms and conditions, it considers them as a part of all contracts concluded by and between supplier and KMS to which are applicable with respect to their nature and it agrees to them, unless the contract stipulate otherwise.

Supplier:

Name and Surname:

Title:

Dated:

Signature