



GENERAL TERMS AND CONDITIONS

SE as a Customer
Version 01/10/2019

I. SCOPE OF APPLICATION

1.1 These are the General Terms and Conditions of Slovenské elektrárne, a. s. (hereinafter referred to as the "**GTC**"), which shall form an integral part and annex to the order/contract (hereinafter referred to as the "**Contract**") and shall enter in force together with the Contract. The respective provisions herein shall not apply if otherwise agreed in the Contract (pursuant to Section 273 (2) of the Act No. 513/1991 Coll. Commercial Code as amended, hereinafter the "**Commercial Code**") or their application is precluded exclusively in the Contract.

II. DEFINITIONS

2.1 The company Slovenské elektrárne, a.s. is identified as "**SE**", regardless of the terms used in the Contract.

2.2 For the purposes of the GTC, all the contractually agreed performances, provided services, works including deliveries of goods and performances of Contractor's activities related to the Contract subject matter, is identified as the "**Performance**".

2.3 The provider of work, repair, maintenance or modification of subject, the provider of works or services including deliveries of goods shall be considered for the "**Contractor**". The Contractor specified in the heading of the Contract as well as their subcontractors and their legal successors shall be considered for the Contractor themselves. The GTC provisions containing the designation "Contractor" shall apply for both the inland and foreign contractors. The personnel of the Contractor are considered all the Slovak and foreign employees of the Contractor and employees of their subcontractors (hereinafter referred to as the "**Contractor's personnel**").

2.4 For the purposes of the GTC, the "**Party**" shall mean SE or the Contractor, where the "**Parties**" shall mean SE and the Contractor.

2.5 On behalf of and for SE:

- a) a contact person shall be entitled to act in matters relating to the Contract, who is specified in the Contract as the "*Contact Person*", or other person/persons, authorised by the Contact Person. The authorisations and powers of the Contact Person acting on behalf of SE do not include the execution of legal acts in connection with the Contract (for instance, the amendment or termination of the Contract, applying a complaint, claiming contractual penalties, compensation for damage, etc.) without a valid authorisation granted by SE, which SE shall, at the Contractor's request, prove by way of a confirmation of the authorisation's issue.
- b) a person/persons shall be entitled to act in the matters of the Performance, which means the Performance execution, the Performance controls, the Performance testing, the Performance takeover, etc., who is specified in the Contract as the "*Contract Manager*", or other person/persons, authorised by the Contract Manager on behalf of SE. The authorizations and powers of the Contract Manager acting on behalf of SE do not include the execution of legal acts in connection with the Contract (for instance, the amendment or termination of the Contract, applying a complaint, claiming the contractual penalties, compensation for damage, etc.) without a valid authorization granted by SE, which SE shall,

at the Contractor's request prove by way of confirmation of the authorisation's issue.

2.6 On behalf of and for the Contractor:

- a) a contact person shall be entitled to act in matters relating to the Contract, who is specified in the Contract as the "*Contact Person*", or other person/persons, authorised by the Contact Person,
- b) a person/persons shall be entitled to act in the matters of the Performance, which means the Performance execution, the Performance controls, the Performance testing, the Performance handover, etc., who is specified in the Contract as the "*Contract Manager*", or other person/persons, authorised by the Contract Manager for the Contractor, except for the Performance handover, where the provision of clause 9.4.4 herein applies.

2.7 Either Party shall be entitled to **change the Contract Manager, or delegate** some of the authorizations and powers to **another person** at any time and shall be obliged to inform the other Party thereof in writing without undue delay. The extent of the delegated authorizations and powers shall be unambiguously defined.

2.8 For the purposes of the GTC, the price of the Performance (hereinafter the "**Price**") shall mean:

- a) the total price of the Performance, exclusive of the Value Added Tax (hereinafter "**VAT**"), agreed in the Contract, if the Contract subject matter is the Performance in whole,
- b) the price of individual Performance, exclusive of VAT, agreed in the Contract, if the Contract subject matter is the delivery of several separate Performances,
- c) the price of the Performance for a calendar month (or other agreed period of time), exclusive of VAT, agreed in the Contract, if the Contract subject matter is the repeating Performance,
- d) the price of the Performance upon written request, exclusive of VAT, if the Contract subject matter is to provide the Performance upon written requests,
- e) the price of the Performance upon partial order, exclusive of VAT, if the Contract subject matter is to provide the Performance upon partial orders to framework contracts.

In case:

- (i) of a domestic Contractor who is not a VAT payer in the Slovak Republic (hereinafter the "**SR**"), or if
- (ii) the Contractor has its registered seat or place of business outside the territory of the SR and does not have a fixed establishment in the SR according to Act No. 222/2004 Coll. on value added tax as amended (hereinafter the "**Act on VAT**"), which participates in the Performance,

for the purposes of the GTC, in such case the Price shall mean similarly the price as defined in letters a) to e) of this clause, except for the text "exclusive of VAT".

2.9 In case of providing the Performance in the premises of SE, the General Technical Terms of Performance at Slovenské elektrárne, a.s. (hereinafter the "**General Technical Terms**" or



“GTT”) eventually Site Safety and Technical Conditions of Performance in SE for MO34 Project (hereinafter the “**Site Safety and Technical Conditions**” or “**SSTC**”), containing specific conditions related to the providing of the Performance in SE’s premises (i.e. in the areas and in the buildings of the headquarters and the plants), shall form an annex to the Contract.

III. LANGUAGE

- 3.1 The original version of all contractual documents, will be Slovak language.
- 3.2 If the GTC or the Contract are executed in both Slovak and English language, in case of conflict between the language versions, the Slovak version shall prevail. If the Contract is executed in the Slovak language but the annexes to the Contract are executed in the Czech language, these annexes do not need to be translated into the Slovak language unless otherwise agreed by the Parties.
- 3.3 If the Contractor has its registered seat abroad and the Parties have not agreed upon another communication language in the Contract, Slovak shall become the communication language.

IV. CONCLUSION OF THE CONTRACT AND AMENDMENTS

- 4.1 The proposal for entering into the Contract or the proposal for offer submission delivered by SE to the Contractor does not mean a request to start to perform the Performance. The Contractor can start to perform the Performance only after the Contract has been concluded and on the basis and in compliance with the conditions specified therein.
- 4.2 The Contract or GTC can be amended exclusively on the basis of an agreement between the Parties, in the form of an amendment to the Contract, which includes the GTC.

Any modifications or amendments to the Contract can be executed only on the basis of an agreement between both Parties, in the form of written and numbered amendments hereto, signed by authorized representatives of both Parties, except in the following cases:

- a) change or adding of Contract Managers that the Party makes by a unilateral written notice in the construction logbook/building logbook/services logbook (hereinafter the “**Logbook**”) or by other written notice sent to the Contract Manager of the other Party,
 - b) change or adding of a Subcontractor based on a written request submitted by the Contractor to the SE’s Contract Manager, including the documents proving fulfilment of requirements for technical and professional competence of the Subcontractor; the SE’s Contact Person will ensure the assessment of such request in accordance with SE’s internal regulations and inform the Contractor of the acceptance or rejection of the request,
 - c) the change of a person executing the Performance, made by the SE’s Contract Manager by a record in the Logbook, or by other record, upon proving the fulfilment of requirements for technical and professional competence by the Contractor.
- 4.3 The Contract and all annexes thereto represent the entire agreement between the Parties on the subject-matter of the Contract and in relation to the subject-matter of the Contract they replace all the previous and present verbal and/or written

arrangements, documents and agreements between the Parties.

In case of any changes arising from the applicable legal regulations, legal acts of the EU, commitments arising for SE from international contracts or from its membership in international organisations or other regulations of a binding or recommendatory nature that have an influence on the Contract performance, the Contractor shall be obliged, at the request of SE, to conclude an amendment to the Contract within the period set by SE that shall reflect the new adjustment in the respective field.

V. INTERPRETATION

5.1 Severability of Provisions

Each provision of the Contract shall be interpreted so that it is effective and valid pursuant to valid legal regulations. However, in the event that it is inexecutable, or null and void pursuant to valid legal regulations, it shall not affect the other provisions of the Contract. In the event that a provision is inexecutable, or null and void, the Parties shall agree in written form on a solution preserving the context and purpose of the given provision.

5.2 The application of the general terms and conditions of the Contractor or of any other general terms and conditions is hereby expressly excluded, unless otherwise agreed in writing by SE and the Contractor.

5.3 In cases where in the GTC or in the Contract there are references to legal regulations in force at the time of issuance of this version of GTC or at the time of Contract conclusion, which were replaced by other legal regulations during the validity of the Contract, they are considered to be the references to the legal regulations that have replaced them, as amended.

VI. COMMUNICATION

6.1 All notices and all communications between the Parties under the Contract shall be made in writing, that is by registered mail, express courier service, by fax or e-mail and are deemed to be duly delivered by their delivery to the concerned Party to the address or fax numbers given by the Parties in the heading of the Contract in the event that the following text of the Contract does not contain addresses or fax numbers for the delivery.

A document shall be also considered delivered in the following cases:

- a) the Party refuses to take over the document – the document shall be considered delivered on that day, or if
- b) it is not possible to deliver the document for the reason of for example a failure to take over the mail within the delivery period or because the addressee was not found, the addressee was unknown or for other reason designated by the post office on the mail; the document shall be considered delivered on the date of mail deposition at the post office.

VII. PRICE, INVOICING AND PAYMENT TERMS

7.1 Price

7.1.1 Unless otherwise agreed in the Contract and if the subject matter of the Performance is a delivery of several types of assets with an individual technical-economic specification, the Contractor shall be obliged to submit to SE **within 15 days** from signing of the Contract, however, no later than along with the



- delivery of the first invoice, details of the Price; such details shall be split into single tangible/intangible assets/components of tangible/intangible assets/groups of such assets with separate technical-economic specification, containing their unit prices and all direct and indirect costs. If relevant, the details of the Price shall contain a separately specified price for spare parts or other components of the Performance or other components of the Performance Price, the price of which is not part of the purchase cost of the tangible assets according to the valid Slovak legislation.
- 7.1.2 If in accordance with the Contract the Contractor is also obliged to provide SE's employees with training to be carried out before the handover of the Performance, the price of training shall be included in the Price, although it must be quantified as a separate item in the Price detail or Price calculation.
- Training provided after the handover of Performance is considered another separate Performance, i.e. the price for such training has to be specified in the Contract as a separate price.
- 7.1.3 If the Price of Performance from abroad includes a remuneration for granting the right to use of the author's right or right similar to the author's right pursuant to clause 21.1 herein (hereinafter referred to as the „**Remuneration**“), the Contractor is obliged to calculate an amount of the Remuneration separately in the Contract or in the invoice.
- 7.1.4 If the Contractor is a VAT payer in the SR, VAT shall be added to the Price in the amount determined by valid legal regulations governing the amount of VAT on the day of origin of tax liability, in cases where VAT is applicable according to the valid wording of the Act on VAT.
- 7.1.5 **None of the Performance of the Contractor or SE shall be provided free of charge.**
- 7.1.6 The Price includes all the costs related to the fulfilment of the Contractor's obligations, in particular:
- a) transport charges,
 - b) the costs of waste disposal or waste recovery pursuant to the Contract, in relation to the waste generated by the Contractor's activities,
 - c) the cost of unloading the Performance in the place of performance,
 - d) insurance costs for the Contractor's damage liability insurance,
 - e) insurance costs for the insurance of SE's assets, which represents the subject matter of the Performance,
 - f) insurance costs for the transport of the Performance, if it is stipulated in the Contract,
 - g) customs duty,
 - h) other taxes and customs duties,
- i) other import-related fees,
 - j) product certification related fees,
 - k) administration and similar fees collected by any public authority body,
 - l) price of the documentation necessary for or related to Performance usage,
 - m) accommodation, catering and transportation of Contractor's personnel,
 - n) training of the Contractor's personnel for entry to SE's premises and execution of Performance on SE's premises.
- 7.1.7 If during the import of goods, the Contractor ensures goods transportation (to the state border with the SR or to the place of destination in the SR) and SE ensures the customs clearance of the goods, for the purpose of customs procedure the Contractor shall be obliged to provide SE with information about the transport charges no later than on the day of goods' loading on the transport means unless the transport charges are specified in the Contract.
- 7.1.8 Unless otherwise agreed in the Contract, the Price according to the Contract shall be fixed, complete, invariable and binding and the Contractor guarantees its completeness until the supply of the Performance also in the event that during the Performance the need occurs to perform such activities, which were not predictable at the time of Contract conclusion.
- 7.2 **Invoicing Terms**
- 7.2.1 The basic document for payment of the Price shall be an invoice issued by the Contractor and delivered to SE. The invoice has to be issued in accordance with valid legislation and shall contain the agreed particulars pursuant to clause 7.2.13 herein.
- 7.2.2 The Contractor shall issue an invoice containing VAT only provided that at the time when tax liability came into existence it was a VAT payer and the Contractor's tax liability comes into existence at the delivery of the Performance and the Contractor is a person obliged to pay VAT.
- 7.2.3 The Contractor's invoice shall be issued and the payment shall be paid by SE in **Euros** unless another currency is agreed in the Contract.
- 7.2.4 If the Price agreed in the Contract is based on an hourly rate, the Contractor shall be entitled to charge SE only the hours actually worked during the provision of the Performance.
- In the event that the place of Performance is located at the SE's premises, only the actual time spent on the Performance shall be charged by the Contractor. The number of the invoiced hours in such case shall not exceed the number of the hours worked as recorded in the Takeover Protocol based on the electronic attendance system used at the SE's premises. In the case of an absence/a failure of electronic records used at the SE's premises, the number of the invoiced hours



- shall not exceed the number of hours worked as recorded in the Takeover Protocol based on the written attendance records.
- The Contractor shall not charge SE for time necessary for breaks at work, personnel transfers, for arranging entries to the SE's premises etc.
- 7.2.5 All the Performances provided by the Contractor above the scope agreed upon in the Contract shall be approved by SE in writing in advance. SE shall not be obliged to take over or pay for any Performance executed prior to such an approval.
- 7.2.6 If a unit price of the Performance is agreed in the Contract and simultaneously the Contract or annexes give a number of units of the particular Performance, the Contractor shall not be entitled to exceed the number of Performance units without SE's prior written consent. SE shall not be obliged to take over or pay for any Performance exceeding the number of units specified in the Contract made without such consent. In such case, SE shall be entitled to return the invoice back to the Contractor.
- 7.2.7 The invoice for the delivered Performance shall be issued on the basis of:
- (i) a detailed list of the provided Performance in the form of a takeover protocol pursuant to clause 9.4.1 herein (hereinafter the "**Takeover Protocol**"), if invoicing after the takeover of the respective separate Performance, including the Performance upon written request, has been agreed in the Contract; or
 - (ii) a detailed list of the Performance performed during whole period, for which the invoicing and payment was agreed in the Contract (hereinafter the "**Invoicing Period**"), confirmed by SE in case of a recurring Performance or Performance for which a continuous invoicing has been agreed in the Contract. Depending on the nature of the Performance, in such cases, for the detailed list of the Performance can be considered for example a protocol on the fulfilment of a Payment Milestone (hereinafter referred to as "**Milestone protocol**"), survey protocol on the provided Performance (hereinafter referred to as "Survey Protocol"), an acceptance protocol, copies of the records in the assembly / construction / service Logbook, or service statement or time sheet.
- 7.2.8 The invoice shall include as an integral part:
- (i) a copy of the **Takeover Protocol** or **Milestone Protocol** confirming the delivery of the Performance pursuant to the Contract, or of the **Survey Protocol**, confirming the extent of the Performance provided within the relevant Invoicing Period,
 - (ii) Price detail in accordance with clause 7.1.1 herein, if applicable,
 - (iii) a copy of the record in the Logbook or of the list of delivered material, if applicable.
- 7.2.9 Unless other way and time of Price invoicing has been agreed in the Contract, the Contractor shall issue an invoice for the provided Performance as follows:
- (i) **single invoice**, i.e. after providing the whole scope of the Performance - not later than 15 days after the confirmation of the provided Performance by SE, or
 - (ii) **individual invoicing**, i.e. after providing each individual Performance – always not later than 15 days after the confirmation of each individual provided Performance (as referred to in the Contract or in a separate Written Request) by SE, or
 - (iii) **on an ongoing basis** (in case the Performance is provided partially or repeatedly), i.e. after the expiry of each Invoicing Period agreed in the Contract – always not later than 15 days after confirming the scope of the Performance provided during the Invoicing Period; in this case the delivery date shall be the last day of the Invoicing Period, or
 - (iv) according to a payment calendar agreed in the Contract, or
 - (v) no later than 15 days **after the receipt of the payment** by the Contractor before delivery of the Performance.
- 7.2.10 The Contractor shall be entitled to issue a **summary invoice** under the Act on VAT within 15 days after the end of a calendar month, for the Performance that has been taken over by SE during the calendar month.
- 7.2.11 In case that the Contractor provides the performance also to SE's branch, the Contractor is obliged to issue a separate invoice for the performance provided to SE's branch. Separate invoice must contain the VAT number assigned to the branch office of SE.
- 7.2.12 Special invoicing conditions:
- (i) if for the Performance delivered partially or repeatedly (other than those in the following clause) a payment has been agreed for a period of time longer than 12 calendar months, the Performance is deemed to be delivered on the last day of every 12th calendar month until the delivery of the Performance is completed, i.e. the Contractor shall issue an invoice within 15 days after every such day of the delivery,
 - (ii) if services or goods with the assembly or installation are provided partially or repeatedly during the period of time longer than 12 calendar months and the payment has been agreed for a period of time longer than 12 calendar months, where the place of the delivery is SE and SE is obliged to pay VAT, such services or goods with the assembly or installation are deemed to be delivered on the last day of every calendar year until the provisioning of the services or goods with the assembly or installation is completed, i.e. the Contractor shall issue an invoice within 15 days



after every such day of the delivery.

The conditions given in these two cases shall apply only to VAT purposes and are not related to invoice settlement. The payment shall be made only after real delivery of the Performance, within the payment term pursuant to clause 7.3.1 herein or indicated in the Contract.

7.2.13 In addition to the data specified in accordance with the valid legal legislation, every invoice must contain:

- (i) SE's Contract No.,
- (ii) SAP number specified by SE in the Takeover Protocol or Milestone Protocol or Survey Protocol or specified in the Contract,
- (iii) the code of the Common Customs Tariff in respect of the supply of goods or the supply of goods supplied as part of the provided Performance,
- (iv) 6-digit service code according to the statistical classification of products by activity (CPA), Section F Construction and civil engineering works, if the Performance made between domestic VAT payers with the place of delivery in Slovakia (supply of construction works, supply of a building or its part, supply of goods with installation or assembly, if installation / assembly belongs to section F) belongs to section F; this information does not have to be indicated on the invoice if it is stated on the Takeover Protocol, which is an integral part of the invoice,
- (v) the date of invoice issuance,
- (vi) invoice due date pursuant to clause 7.3.1 herein,
- (vii) the banking institution name and the Contractor's bank account No.,
- (viii) the signature of the representative authorized to act on the Contractor's behalf.

7.2.14 The Contractor shall be obliged to deliver the invoice to SE no later than **within 5 days** following its issue.

7.2.15 The Contractor shall be obliged to send the invoices for SE to the address:

Slovenské elektrárne, a.s.
Invoicing Department
Mochovce Nuclear Power Plant
P.O.BOX 11
935 39 Mochovce

or to another address specified in writing by SE.

7.2.16 In the event that the Contractor sends the invoice to another address than the address according to clause 7.2.15, the period of maturity shall not start until the respective invoice is delivered to the address specified or determined according to the above clause 7.2.15.

7.2.17 The Contractor shall be obliged to deliver to SE to the address pursuant to clause 7.2.15 herein **at least 14 days before** the invoice due date, a written

notification of the change of the bank account stated in the invoice, in case of:

- (i) a change of the bank,
- (ii) establishment of the pledge right to receivables, or
- (iii) formal shortcomings (e.g. incorrect, incomplete bank account, etc.),

where the authenticity of the signature of the Contractor's representative in the notification must be officially verified.

7.2.18 If the Contractor fails to fulfil its notification duty according to clause 7.2.17 herein, the day of debiting SE's bank account with the outstanding amount shall be considered the day of fulfilment of the monetary obligation regardless of whether the Contractor's bank account is credited with the financial resources.

7.3 Payment Terms

7.3.1 **The invoice shall be due within the period of 60 days following the invoice's delivery to SE.** The date indicated by SE's presentation stamp at the address pursuant to clause 7.2.15 herein shall be the date of delivery of the invoice. The invoice maturity period shall start on the day following the day of delivery of the invoice to SE. If the last day of the invoice maturity period falls on a public holiday, the invoice shall be due on the very next business day. The financial obligation shall be deemed fulfilled on the day when the outstanding amount is debited from the SE's bank account.

7.3.2 Full payment shall be made to the account number specified in the invoice or notice pursuant to clause 7.2.17 herein, no later than on the invoice due date. If the invoice does not contain the particulars required in accordance with the valid legal legislation or if the data in the invoice are not stated in compliance with the conditions agreed upon in the Contract/GTC, SE shall be entitled to return the invoice to the Contractor without payment. In such case, the period of maturity of the invoice shall be interrupted. SE shall be obliged to state the reason for returning the invoice. The period of maturity shall start again only on the date of delivery of the corrected (new) invoice fulfilling the requirements of generally binding legal legislation and the Contract.

7.3.3 All bank expenses and charges of the correspondent banks and the Contractor's bank shall be borne by the Contractor.

7.3.4 If SE is in delay with the invoice payment, the Contractor shall be entitled to charge SE an interest on late payment amounting to 0.02% from the outstanding amount for each day of the delay, however, in the maximum of up to the total amount of 10 % of the invoiced amount.

VIII. TAX CONDITIONS

8.1 During the period of validity of the Contract the Contractor shall be obliged to notify in writing SE of the date of VAT payer



registration cancellation, as well as the date of VAT payer registration, all that **immediately** after that date.

- 8.2 The following provisions of clauses 8.2, 8.3 and 8.4 apply to the **Foreign Contractor. The Foreign Contractor** shall mean a Contractor who has a seat outside the territory of the SR. In case the Foreign Contractor has an established organizational part, establishment or permanent establishment in the territory of SR, the seat shall mean a seat of the Foreign Contractor in abroad. The Foreign Contractor is obliged to provide SE with the information required in the Declaration on tax position and interrelation not later than by signing the Contract.

If the correctness, completeness or veracity of the above-mentioned facts changes during the term of this Contract due to any facts that can or cannot be influenced (especially inception/closure of the establishment for VAT; inception/closure of the permanent establishment for income tax; advance payments of income tax), the Foreign Contractor undertakes to inform SE thereof in writing, **without undue delay**, no later than within 5 working days after the change, otherwise, SE shall consider them valid, true and complete also as on the date of origin of Foreign Contractor's tax liability.

- 8.3 If the Foreign Contractor is a resident of a country outside of the EU and has a permanent establishment in the Slovak Republic and pays income tax advance payments in the Slovak Republic, it shall be obliged to submit, immediately after the signing of the Contract or after the mentioned fact has come into existence, the confirmation about the advance payments issued by the respective Tax Authority of the SR (hereinafter only as the "**Confirmation**"). The Foreign Contractor is obliged to submit the Confirmation in each subsequent calendar year, during which it will provide the Performance to SE. If the Foreign Contractor fails to submit such document, SE shall apply the collateral tax in accordance with the Act on Income Tax.

8.4 **Withholding Tax**

Price and payment conditions set out in the Contract do not and shall not include any withholding. If payments in favour of the Foreign Contractor are subject to or shall be subject to withholding tax pursuant to Act on Income Tax and respective treaties on double taxation avoidance, SE shall decrease, upon the above stated, the payments by the particular amounts pursuant to the respective treaty on double taxation avoidance and Act on Income Tax. In that case SE shall request from the concerned tax authority in the Slovak Republic to provide a confirmation of the deducted tax and shall submit it to the Foreign Contractor. The Foreign Contractor shall provide SE any cooperation for the exercise of SE's rights and the asserting SE's of claims according to this clause.

The Foreign Contractor is not entitled to request any compensation from SE in connection with the deduction of withholding tax by SE, but it itself may request settlement from the concerned tax administrator.

The Foreign Contractor shall endeavour to identify payments included in the Price that may be subject to the withholding tax and specify their unit price. In case of doubt or the lack of cooperation of the Foreign Contractor, SE shall be entitled to deduct withholding tax from the total Price, with the exception if the Foreign Contractor proves additionally that withholding tax pursuant to the Act on Income Tax and the respective treaty on double taxation avoidance is not to be deducted, or the Foreign

Contractor specifies that amount of the invoiced Price that is subject to withholding tax.

The provisions of the following clause 8.5 apply to the **Foreign Contractor based outside the EU:**

8.5 **Collateral Tax**

In the event the obligation to deduct collateral tax from the Price has arisen for SE, SE shall deduct the sum of collateral tax from the invoiced Price pursuant to the Act on Income Tax and pay the Foreign Contractor the invoiced Price reduced by the given collateral. SE shall not deduct the collateral tax from the Price if the Foreign Contractor submits to SE the original confirmation from the concerned tax authority of the SR proving that the Foreign Contractor pays tax advances pursuant to Section 34 or 42 of the Act on Income Tax (the Confirmation pursuant to clause 8.3).

If the Foreign Contractor fails to submit a written confirmation as indicated above and SE is obliged to deduct the sum of the collateral tax from the Price, SE shall:

- be entitled to deduct the sum of the collateral tax from the invoiced Price pursuant to Section 44 (2) of the Act on Income Tax and to pay the Foreign Contractor the Price or its part reduced by the sum of such collateral tax, and
- provide documentation to the Foreign Contractor (confirmation of the deducted collateral tax submitted to the concerned tax authority), which the Foreign Contractor may use for the set-off of the payment against its tax liability in the SR.

In other cases when the Foreign Contractor's activities do not cause the formation of a permanent establishment in Slovak Republic, the application of the collateral tax will be assessed on an individual basis, considering the nature of the Performance, in accordance with the Act on Income Tax and the respective treaty on double taxation avoidance.

The Foreign Contractor is not entitled to request any compensation from SE in connection with the deduction of the collateral tax by SE, but it itself may request settlement from the concerned tax administrator.

- 8.6 If SE's assets, within the execution of Performance or for the purpose of the elimination of defects of the Performance, are transported outside the territory of the Slovak Republic, where such Performance or the elimination of defects shall be carried out, and after the completion of Performance or the elimination of defects the SE's assets shall be returned back to the Slovak Republic, and if the assets are transported by the Contractor or at the Contractor's expense, the Contractor shall ensure, for VAT purposes, the following documents:

- transport documents or other documents regarding dispatching, which contain the place of destination proving the dispatching of the SE's assets from the Slovak Republic to an EU member state and their returning to the Slovak Republic from an EU member state, if the Contractor provides the transport of the SE's assets through other entity, or
- the written confirmation of receipt of the SE's assets by the SE's Contract Manager, if the transport of the SE's assets is carried out by the Contractor, and other additional



documents proving the transport of the SE's assets, required by SE.

The Contractor shall deliver the above mentioned documents to SE:

- a) in case the transport of the SE's assets was carried out for the purpose of the execution of Performance – no later than together with the invoice issued for such Performance,
- b) in case the transport of the SE's assets was carried out for the purpose of elimination of defects of the Performance – by the date of the takeover of the SE's assets back by SE, at latest.

In case of breach of the Contractor's obligations under this clause, SE may claim from the Contractor a contractual penalty pursuant to clause 15.16 herein.

- 8.7 The Contractor undertakes that it shall be fully responsible for calculations, reporting, tax returns and payment of its present and future both monetary and non-monetary tax duties, including the income tax, VAT and other taxes, fees and levies (or respective penalties, fines or interests), which came or will come into existence under the Contract according to any legal jurisdiction, either in the Slovak Republic or out of its territory. The Contractor shall make no claims towards SE in connection with the above-mentioned matters.

IX. PERFORMANCE EXECUTION

9.1 Place of Performance

9.1.1 The place of Performance shall mean the seat of SE, i.e. Mlynské nivy 47, 821 09 Bratislava, unless otherwise specified by the Contract.

9.1.2 If the Contractor provides the Performance on SE's premises, the Contractor shall take note of the fact that SE can provide to the Contractor:

- (i) premises having the nature of the temporary works, offices or other rooms,
- (ii) electric energy, technical gases, compressed air, water etc.

against payment and under a special contract(s).

9.1.3 At the entry and at the departure of the Contractor's personnel, SE is entitled to carry out inspection of items and materials being brought in or taken out.

The Contractor must not bring into SE's premises any of the following:

- a) all kinds of guns, ammunition, explosives, trap explosive systems and their imitations,
- b) alcohol, narcotic and psychotropic substances,
- c) unidentifiable biological and chemical substances,
- d) cameras and camcorders without permission,
- e) items evidently not related to working activities.

The Contractor is not entitled to take out the following items from the SE's premises without permission:

- (i) any items and materials not owned by the Contractor and to which the Contractor has no other right,
- (ii) waste, which the Contractor is not entitled and obliged to dispose or recycle in accordance with the Contract.

In the event of breach of the obligation under this clause, SE may claim from the Contractor a contractual penalty pursuant to clause 15.9 herein.

9.1.4 The Contractor is obliged to ensure that the Contractor's personnel will register each their entry to/departure from the SE's premises on the attendance terminal located at the SE's premises.

9.1.5 The Contractor is obliged to ensure that the Contractor's personnel will observe the established regime measures of physical protection including the ban of filming and making photographs in the SE's premises.

9.1.6 The Contractor is obliged to ensure that the Contractor's personnel will observe the ban on the consumption of alcohol, narcotic and psychotropic substances. At the entry of the Contractor's personnel, as well as during their stay at the SE's premises, SE is entitled to perform a breathalyser test or a test of use of narcotic and/or psychotropic substances of the Contractor's personnel. The rejection to undergo a breathalyser test or test for the use of narcotic and/or psychotropic substances shall be considered as a breach of the contractual terms and conditions.

9.1.7 No later than on the day of commencement of the Performance under the Contract, the Contractor shall announce to SE the names and e-mail addresses of those Contractor's representatives, who are supposed to be granted access to the SE's information system for the purpose of the fulfilment of the obligations solely in accordance with the terms and conditions. The access to the SE information system has been set up in accordance with the authorization procedures in force at SE.

9.1.8 In cases where the place of Performance is not situated in the premises of SE, the Contractor shall be obliged to allow the SE employees or the persons appointed by SE to access the spaces, where the Performance is executed, for the purpose of checking the proper Performance.

9.2 Inspections, Tests and Verification

9.2.1 At any time during the Performance provision under the Contract, SE shall be entitled to check the proper fulfilment of the Contractor's duties pursuant to the Contract and GTC. In the event that the inspections during the Performance under the Contract find any defects or faults, the Contractor shall be obliged to eliminate the defects and faults at its own expense within the time period specified by SE.

9.2.2 Prior to the Performance handover, SE shall be entitled to request a preliminary inspection of the Performance. The Contractor and SE shall agree upon the date of the



- preliminary inspection of the Performance in order to find out whether the Performance meets the requirements specified in the Contract. The Contractor and SE shall execute a protocol on the preliminary inspection of the Performance signed by the authorised representatives of the Contractor and SE, containing the results of the preliminary inspection of the Performance and the data on whether the Performance meets the requirements specified in the Contract or the statement of the Contractor regarding the proper completion of the Performance.
- 9.2.3 In the event that the preliminary inspection shows that the Performance does not meet the requirements specified by the Contract or GTC, SE shall be entitled to request the elimination of the defects of the Performance and to determine the period, in which the Contractor is obliged to eliminate the defects of the Performance. After the expiry of the period for the elimination of Performance defects pursuant to this clause, SE shall be entitled to carry out another inspection of the Performance. If the Contractor fails to eliminate the defects of the Performance satisfactorily, SE shall be entitled to withdraw from the Contract for material breach of the Contract by the Contractor, unless it specifies another period for elimination of the defects of the Performance.
- 9.2.4 Execution of preliminary inspections of the Performance and possible elimination of defects of the Performance pursuant to this clause do not relieve the Contractor of the obligation to hand over the Performance within the period specified for Performance handover and do not relieve the Contractor from the liability for proper and timely handover of the Performance, and the contractual or legal claims of SE resulting from the delay of the Contractor in Performance handover shall remain preserved unless otherwise agreed by SE and the Contractor.
- 9.2.5 If it is agreed in the Contract, the Contractor shall be obliged to carry out testing or technical inspection (hereinafter the "Tests") of the Performance before its hand-over, in order to find out whether the Performance meets the requirements for quality and execution and whether it meets the conditions specified by the Contract. The Contractor shall be obliged to submit the result of the Tests to SE no later than upon the handover of the Performance.
- 9.2.6 Unless otherwise agreed in the Contract, the SE's Contract Manager has to be present at the execution of the Tests of the Performance and the Contractor is obliged to notify SE of the place and date of Tests **no later than 14 days prior to** the planned date of the Tests or within another mutually agreed period.
- If the Contract Manager for SE fails to arrive at the specified time at the place of Tests execution, the Contractor can carry out the Tests without the presence of SE, however, it shall be obliged to inform SE about the result of the Tests without undue delay.
- 9.2.7 The costs connected with the execution of the Tests of the Performance shall be borne by the Contractor. In

case of execution of complex tests of the Performance, the respective provision of the GTC, or SSTC shall apply.

If the Tests are not carried out at the agreed date by the fault of the Contractor or if the result of the Test of the Performance is unsatisfactory, the Contractor shall be obliged to reimburse to SE all the costs incurred by it in this connection.

- 9.2.8 Performance of the Tests in the presence of SE shall not relieve the Contractor from the liability for the defects found after the handover of the Performance.

Carrying out an inspection or Tests is not a reason for the delayed delivery of the Performance.

9.3 Conditions of Delivery and Take-Over of the Performance

9.3.1 Period of Delivery and Take-Over of the Performance

In the event of a threat that the Contractor will fail to deliver the Performance within the period specified in the Contract, it shall be obliged to inform SE in writing about this fact without undue delay after it has learned of the fact and it shall be obliged to carry out all the measures to speed up the Performance. The notice shall specify the causes of the delay and the expected day of the delivery of the Performance.

If the Contractor fails to carry out the measures according to this clause or the Contractor's measures turn out to be insufficiently efficient and the provision of the Performance is not speeded up, SE shall have the right to carry out measures speeding up the provision of the Performance itself, including withdrawal of the provision of any part of the Performance by the Contractor (e.g. in the form of a partial withdrawal from the Contract with immediate effect from the date of receipt of the notice by the Contractor) and assigning its provision to a third party, while the Contractor shall be fully responsible for coordinating its work with the new contractor so designated, where the eligible costs in connection with this measure shall be borne by the Contractor. SE shall have the right to claim or set off these costs on the basis of a separate invoice delivered to the Contractor. For the avoidance of doubt it shall apply that SE shall be entitled to set-off against the Price or to request payment of all increased costs and expenses connected with the withdrawal of the provision of any part of the Performance and assigning it to a third party (e.g. the price difference between the withdrawn part of the Performance which was subsequently newly assigned, the damage incurred, other induced costs, any penalties etc.).

Any costs incurred by the Contractor as a result of failing to observe the date of execution of the Performance or Payment Milestones, or in connection with achieving their proper and timely fulfilment (e.g. overtime work, shift work, increased deployment of machines, non-rational supply of materials, increased work load etc.) shall be always borne by the Contractor. In such cases, the Price shall not be



changed.

In cases where the Contractor properly completes the Performance or part of it, in compliance with the Contract and its annexes prior to the agreed date of Performance execution or Payment Milestone, SE shall be entitled but not obliged to take over the Performance or part of it also on the earlier date proposed by the Contractor.

Also in cases when the commencement or course executing the Performance is in delay for other reasons than for the reasons exclusively on the part of SE, individual dates of Performance execution or Payment Milestones must be properly observed or met without any right to any increase in the agreed Price.

In the cases when the commencement of Performance (or the course of Performance itself) is in delay for reasons exclusively on the part of SE **for more than 5 working days**, the Contractor shall be entitled to postpone all the following terms of Performance or Payment Milestones by the same number of days as is the length of postponement of the start or of the course of Performance execution for reasons on the part of SE. Any sanctions applicable against the Contractor remain valid also when applying new postponed dates of Performance execution or Payment Milestones.

The Contractor shall be obliged, in writing and sufficiently in advance, to inform SE about the date when the Contractor will be ready to complete and handover the Performance and to call upon SE in writing to take over every Performance in accordance with the Contract **at least 5 working days** prior to the delivery of the Performance.

9.3.2 **Materials and Equipment**

If the subject matter or a part of the Performance is a supply of goods, the Contractor shall be obliged to pack such Performance or prepare it for transport in the way usual for such Performance in business relations or, if that way cannot be determined, then in the way necessary to preserve and protect the Performance. The Contractor undertakes to remove and dispose of the packaging from the Performance if it is required by SE.

Unless otherwise stated in the Contract, the conditions regarding the supply of goods from abroad shall be governed exclusively by international rules for the interpretation of delivery terms INCOTERMS 2010, using the provisions of parity **“DDP”** with the place of Performance specified in the Contract.

The Contractor shall be obliged to insure the transportation of goods if it is required by the Contract.

The Contractor is required to prove the internal cleanliness of the equipment by presenting a protocol from the equipment's supplier.

In the event that the nature of the goods to be delivered within the Performance requires permits in accordance with the respective legal regulations, the

Contractor shall be obliged to obtain such permits at its own expense.

SE is entitled to request the extension of the period of Performance supply. In such a case SE and the Contractor shall agree on the share in which they will bear the costs connected with further storage.

9.3.3 **Chemical Substances and Chemical Mixtures**

Provisions of this Article are applicable only to Contractors supplying chemical substances or chemical mixtures to SE (hereinafter **“CS or CM”**).

The Contractor supplying CS or CM to SE shall deliver, along with the delivered CS or CM, the Safety Data Sheet (hereinafter the **“SDS”**) in the Slovak language. For the CS or CM that are not hazardous, the Contractor only needs to deliver a statement that the delivered CS or CM is not classified as hazardous.

The expiration date of the CS or CM must be indicated directly on the packing of the CS or CM by the manufacturer or by the Contractor. In justified cases (where the CS or CM are in liquid form and are delivered in large-volume tanks or freely stored), the expiration date may be specified in the test certificate, other certificate or directly in the SDS.

Upon an additional written request by SE, the Contractor shall be obliged **within 10 days** from the delivery of such written request to deliver to SE's Contract Manager any additional documents specified in SE's written request by (e.g.: a test certificate, technical specification, technical sheet, certificate, purpose of use, authorisation, other specific requirements for quality and cleanliness, or the type of the product).

The Contractor shall provide marking of the CS or CM packages in compliance with the applicable legislation (Act No. 67/2010 Coll. on Conditions to Introduce Chemical Substances and Chemical Mixtures to the Market and on the amendments and supplements to certain acts (Chemicals Act) as amended (hereinafter as the **“Chemicals Act”**) and Regulation (EC) No. 1272/2008 of the European Parliament and of the Council on classification, labelling and packaging of substances and mixtures, amending and repealing Directives 67/548/EEC and 1999/45/EC and amending Regulation (EC) No. 1907/2006 (CLP) as amended. Labelling and documentation of CS or CM must be in the Slovak language.

9.4 **Performance Takeover**

9.4.1 SE shall take over the Performance in the form of a written Takeover Protocol, where:

- (i) in case of goods delivery, the Takeover Protocol shall be the delivery note, containing the list of individual items delivered pursuant to the Contract, with stated production number of goods and respective amounts, certifying the takeover of the delivery by SE showing the date of goods takeover by SE and handover of the goods by the Contractor, and which shall contain the data of the



- goods codes according to the Common Customs Tariff,
- (ii) in case of goods delivery from the territory outside the Slovak Republic the delivery note shall contain:
- a) Common Customs Tariff code of goods,
 - b) country of goods origin,
 - c) net weight of goods,
 - d) date and place of loading the goods by the Contractor,
 - e) date of goods handover by the Contractor in the place of Performance,
- (iii) in case of other types of Performance the Takeover Protocol shall be any document containing a detailed list of Performance performed, i.e. the list of individual items delivered pursuant to the Contract, and respective amounts,
- (iv) at Performance belonging to Section F (Construction and civil engineering works) according to the statistical classification of products by activity (CPA), made between domestic VAT payers with the place of delivery in Slovakia, the Takeover Protocol must contain in addition to the above data also 6-digit service code according to the statistical classification of products by activity (CPA), Section F Construction and civil engineering works; this information does not have to be indicated on the Takeover Protocol if it is stated on the invoice.
- The Takeover Protocol signed by SE and the Contractor represents a document proving the fulfilment of the Contract subject matter, i.e. it confirms that the delivery has been executed in the quantity and quality defined in the Contract.
- The Takeover Protocol shall be executed at least in two counterparts and at least one of them shall be received by the Contractor and one counterpart shall be received by SE.
- Any statement of the Contractor regarding the handover of the Performance must be recorded in the Takeover Protocol.
- 9.4.2 If identification cards for entry (hereinafter referred to as "**Entry IDC**") issued by SE were assigned to the Contractor's personnel for the purposes of execution of the Performance on the premises of SE, the Takeover Protocol of the last Performance executed under the Contract shall contain the number of Entry IDC not returned by the Contractor's personnel by the date of the takeover of such Performance. In such case, SE shall be entitled to claim from the Contractor **retention** in the amount corresponding to the multiple of the number of unreturned Entry IDC and the amount of the contractual penalty for failure to return an Entry IDC in the amount of **EUR 30**. SE shall apply the amount of retention calculated in such a way until return of the last Entry IDC. SE shall be obliged to release the retention within 30 calendar days following

- the return of the last Entry IDC.
- 9.4.3 The Contractor shall invite SE, in writing, to take over each Performance in accordance with the Contract **at least 5 working days** before the handover of the Performance.
- 9.4.4 If the Performance is handed over on behalf of the Contractor by other person than the one authorized pursuant to clause 2.6b) herein, such person shall submit to SE no later than at initiation of the Performance handover a written authorization signed by a statutory body of the Contractor proving his/her right to act on behalf of the Contractor in the Performance handover procedure.
- 9.4.5 No later than at the Performance takeover by SE, the Contractor shall be obliged to hand over to SE:
- (i) the documents necessary for Performance takeover and usage as well as other documents specified in the Contract and in the technical specification if it is enclosed to the Contract (e.g. all the declarations of conformity, protocols and certificates of equipment tests, which it assembled, installed or executed) in the Slovak language at least to the extent specified by the respective legal legislation of the SR,
 - (ii) equipment operating, repair and maintenance manuals within the scope specified by the respective legal legislation of the SR, where all the manuals and labels of control panels of equipment must be in the Slovak language,
 - (iii) the respective technical documentation, test certificates of the materials used during the execution of the Performance and documents of the executed tests, or other documents, if it is prescribed by the generally binding legal regulations or respective technical regulations or if it is agreed in the Contract or if they are required by SE or their submission is usual with regard to the Performance character.
- 9.4.6 In the case that SE took over the Performance with Small Defects specified in detail in clause 14.11 herein, SE shall be entitled to **retain money** in the amount of **10% of the Price of the Performance**. SE shall be obliged to release the retention within 30 calendar days following the elimination of the Small Defects.
- 9.4.7 For the avoidance of doubt, SE undertakes to take over the Performance and to draw up the Takeover protocol only provided that
- (i) the Performance can be used for the specified purpose without any limitations, totally safely and in compliance with the respective legal legislation,
 - (ii) the Contractor has fulfilled all its duties pursuant to the Contract, has successfully performed all the Tests and has handed over the documentation according to clause 9.4.5 herein to SE,



- (iii) the Parties have agreed upon the final scope of the executed Performance and final Performance Price, and
- (iv) the Performance has been completed in compliance with the Contract without defects and outstanding work, except for the cases, when the delivery is taken over with Small Defects in accordance with clauses 9.4.6 and 14.11 herein.

9.4.8 If the Performance is not taken over for the reasons specified in clause 9.4.7 herein, the Performance has defects and the procedure in accordance with Article XIV shall be applied.

9.5 Transfer of the Ownership Right

9.5.1 Materials and Equipment

The Performance, which is the subject matter of takeover, passes to SE's ownership with all the rights and duties resulting from it at the moment of Performance takeover based on the signing of the Takeover Protocol. At the moment of Performance takeover, the risk of damage to the Performance also passes to SE.

9.5.2 Works

Unless otherwise agreed in the Contract, if the subject matter of the Contractor's Performance is production of a thing on the Contractor's premises, the ownership right to the thing and the risk of damage to the thing passes to SE at the moment of its takeover in accordance with the Contract.

Unless otherwise agreed in the Contract, if the subject matter of the Contractor's Performance is the construction of a thing on the land of SE or on land procured by SE, the ownership right to individual materials, components, products and other parts of the constructed thing used by the Contractor in constructing the thing shall be acquired by SE at the moment of their installation into the constructed thing. Any subsequent separation of these materials, components, products and other parts of the constructed thing from the constructed thing shall not result in the change of the ownership right. The risk of damage to the Performance passes to SE at the moment of Performance takeover.

If it is not agreed otherwise in the Contract, the Contractor shall bear the risk of damage to the thing taken over from SE, which is the subject matter of the assembly, maintenance, repair, modification, revision or measurement. In such case the ownership right to the thing remains with SE.

The Contractor undertakes that all the materials, components, products or other parts of the constructed thing used for the construction of the thing will be free of any legal defects (they will not be the subject matter of a right of lien, other rights of third parties, the subject matter of execution procedure, they will not be included in the assets in bankruptcy or restructuring etc.) and at the time of their delivery, the

Contractor will be the unlimited owner of the materials, components, products and other parts of the constructed thing.

The Contractor undertakes that in producing the thing it shall use no material, components, products or other parts of things, which would be burdened by the retention of title of any third party. The Contractor confirms that at all events, SE is entitled to suppose that at the time of delivery, the Contractor is the exclusive owner of the supplied material, component, product and/or any part of the produced thing and that at the moment of installation of the material, component, product and/or any part of the produced thing into the produced thing SE becomes its exclusive owner.

Unless otherwise agreed in the Contract, the Contractor shall bear the risk of damage to things, documents, background data taken over from SE for the purpose of proper and timely construction of the thing, assembly, maintenance, repair, modification, review or measurement, this being valid for the whole period of thing production, performance of assembly, maintenance, repair, modification, review or measurement by the Contractor until the moment of their handover to SE in accordance with the Contract. The Contractor shall be obliged and authorised to use all the things, documents, background data handed over to it by SE exclusively for the purposes agreed upon in the Contract. After the proper completion of the Performance and handover of the Performance as well as in the case of premature termination of the Contract, the Contractor shall be obliged to return to SE all the things, documents, background data handed over to it by SE for the purpose of the production of the thing.

X. SUBCONTRACTORS

- 10.1 "Subcontractor" means any person, or contract partner of the Contractor participating in the performance of the Contractor's obligations in respect of SE resulting from the Contract, other than the Contractor's employee. A freelancer is also considered to mean a Subcontractor.
- 10.2 In the event that a Subcontractor takes part in the Performance, the Contract must include as an integral part a list of subcontractors, which must contain an identification of the Subcontractor, type of the Performance (works, services, material deliveries) and share of the Subcontractor on the Contract performance pursuant to clause 10.5.
- 10.3 The approved list of subcontractors can be changed only based on the previous written approval of SE in accordance with clause 4.2b) herein.
- 10.4 The Contractor undertakes to ensure due performance of its obligations resulting from the Contract by adequate arrangement of obligations related to the Contractor's performance under the Contract, in the contracts concluded with its Subcontractors. The Contractor undertakes to allow SE at any moment to view such contracts.
- 10.5 The limit of the subsupply share is 50% and it relates to works and services. In case of services, this limit refers to the total



- contractual amount. In case of works, this limit refers only to contractual amount for works. Works shall mean any types of physical activities of the Contractor's personnel (including Subcontractors), which are performed for the purpose of Contract performance.
- 10.6 The limit of the subsupply can be changed only based on the previous written approval of SE pursuant to clause 4.2b).
- 10.7 Only one subcontracting level is permitted for performance of works and services at SE premises
- 10.8 Freelancers are not counted in the calculation of the subsupply share, or in the number of subcontracting levels.
- 10.9 In the event that a Subcontractor takes part in the Performance, the Contractor shall be obliged to use for Contract performance only such Subcontractors that meet the following conditions for personal standing:
- No bankruptcy has been declared against it, nor is in liquidation, nor was a declaration of bankruptcy rejected due to a lack of assets,
 - Neither it nor its statutory body or a member of its statutory body was lawfully condemned for a crime of corruption, for a crime of damaging the financial interests of the European Communities, for a crime of legalising income from criminal activities, for a crime of establishing, plotting and supporting a criminal group or for the crime of establishing, plotting and supporting a terrorist group, or for the crime of terrorism and some forms of participation in the terrorism and neither it nor its statutory body or a member of its statutory body was lawfully condemned for a crime concerning the professional conduct of business,
 - It has no registered outstanding payments for health insurance, social insurance, and outstanding payments for contributions to old-age pension scheme, which are being claimed by means of a decision execution,
 - It has no registered tax arrears being claimed by means of a decision execution,
 - No severe breach of its professional obligations has been proved within the previous three years,
 - It is authorized to deliver goods, to perform construction work or to provide service.
- 10.10 SE exclusively reserves the right at its own discretion to refuse in writing the participation of the Subcontractor in the Performance at any time during the Contract execution without the Contractor's right to any compensation or reimbursement. In such case, the Contractor shall be obliged to immediately perform all the necessary acts in order to terminate the cooperation related to the Performance with the refused Subcontractor. SE can refuse Subcontractor's participation in particular, however, not exclusively, in the following cases:
- a failure to fulfil the requirements for technical and professional competence and the conditions for assurance of occupational health and safety (hereinafter as "OHS") and fire protection (hereinafter as "FP") by the Subcontractor, or
 - submission of a proposal of an entitled person to enforcement of an execution of the Subcontractor's assets, or
- publication of a resolution on the commencement of bankruptcy proceeding against the Subcontractor in the Commercial Journal, or
 - publication of a resolution on the commencement of restructuring proceeding against the Subcontractor in the Commercial Journal, or
- 10.11 the failure to perform the previous performances executed for SE, either as the contractor or Subcontractor, properly and in time. The Contractor undertakes:
- to observe the maximum share of Subcontractors in the Performance of works and services, specified by SE pursuant to clause 10.5, resp. other share approved by SE pursuant to clause 10.6,
 - to apply for the written consent of SE in advance, in the following cases:
 - additional occurrence of the need of Subcontractor's participation in the Performance,
 - participation of every other Subcontractor in the Performance and any related change of shares of individual Subcontractors in the Performance,
 - every change of shares of the existing Subcontractors in the Performance,
 - to prove the fulfilment of the requirements for technical and professional competence and conditions for OHS assurance by the Subcontractor,
 - to fully pay the Subcontractors for all the subcontract performances and to settle any additional costs related to such subcontracting relations; all the Performance parts performed in the form of subsupplies shall be exclusively at the expense and risk of the Contractor,
 - to immediately eliminate the violation of any Subcontractor's duty through any suitable means and to bear the resulting consequences including, if suitable, the replacement of the Subcontractor that has violated its duties,
 - to ensure that the Subcontractors also fulfil properly all the duties assumed by the Contractor in the Contract and its annexes and that the Subcontractor fulfils its obligations pursuant to the subcontract so that the Performance is supplied in compliance with the Contract's conditions and there is no threat to or violation of its duty to deliver the Performance properly and in time, and
 - to reflect the conditions of the Contract in the subcontract so that the Performance is delivered in compliance with the conditions of the Contract (properly and in time) and it undertakes to agree in the subcontract upon the possibility of making accessible the subcontract and its related documents to SE so that such disclosure is not considered a violation of trade secret of the Subcontractor or a violation of protection of information of a confidential nature.
- 10.12 The Contractor shall be fully responsible for proper, timely and complete performance of subsupplies by the Subcontractor as if it performed the subsupply itself, regardless of the fact whether the subsupply is executed by a Subcontractor selected by the Contractor or appointed by SE. If SE has any doubts if the Contractor fulfils its duties according to the subcontract properly



and in time and if according to SE such activity endangers the quality and timely delivery of the Performance or part of it, SE shall have the right to request from the Contractor evidence confirming that it fulfils its duties properly and in time (e.g. by submitting a statement of bank account of the Contractor confirming the timely settlement of Subcontractors' invoices), and the Contractor shall be obliged to submit such evidence without undue delay.

10.13 The Contractor shall be fully responsible for complying with all the health, safety and labour law regulations as well as those from the area of environment and for the obligations concerning the Subcontractors.

10.14 The fact that SE approves any subsupplies shall in no way limit the liability of the Contractor and in this connection it shall not mean the occurrence of any liability of SE as the subsupplies do not relieve the Contractor from any contractual obligations or liability. The Contractor shall remain fully responsible for any activity, defects or negligence of its Subcontractors and their representatives and personnel in the same way as the Contractor is responsible for its own or its employees' or personnel's activity, defects or negligence.

10.15 In justified cases, SE shall be entitled (however, not obliged) to take over a Subcontractor of the Contractor (i.e. to exclude the supply of the Subcontractor from the total Performance of the Contractor) and to conclude a contract with the Subcontractor directly, besides the Contractor. In such case, the Price shall be reduced by the sum of the performance executed by the Subcontractor. In such case, the Contractor shall be obliged to enter into a separate amendment to the Contract with SE, which will organize the mutual rights and duties of the Parties, and at the same time, to organize its contractual relations with such Subcontractor taken over.

10.16 If the Contractor fails to pay the Subcontractor properly and in time the agreed remuneration for the properly executed performance, in consequence of which the Subcontractor will notify SE in writing of the possibility of suspending the provided performance executed by it or it will directly suspend it and according to SE, such suspension of the performance of the Subcontractor or several Subcontractors could endanger the work procedure and observance of the term of Performance execution and handover, after a previous written notice submitted to the Contractor and after the expiry of the period specified by SE for correction, SE shall be entitled to withhold the settlement of invoices (tax documents) till the time when the authorised claims of the Subcontractor, who threatened in writing the possibility of work suspension, are fulfilled by the Contractor and the fulfilment is proved to SE. During the period of payment withholding according to this clause SE is not in delay with payment of its monetary obligations and the Contractor shall not be entitled to any legal or contractual sanctions.

10.17 In the event that the Contractor breaches any of the duties specified in this Article X, SE can claim a contractual penalty from the Contractor pursuant to clause 15.6 herein.

XI. TRANSFER OF RIGHTS AND RECEIVABLES

11.1 The Contractor undertakes neither to assign or otherwise dispose or trade, either with or without consideration, the receivables resulting from the Contract, nor to establish pledge rights over the receivables resulting from the Contract without the previous written consent of SE. Otherwise such act is invalid. In case of

breach of the above-mentioned, SE may claim from the Contractor a contractual penalty pursuant to clause 15.7 herein.

In the event of the assignment of receivables or transfer of liabilities under the Contract (in whole or in part) within the enterprise, a part of which is any of the Parties, or of the transfer to a legal successor or company established by a fusion or acquisition of such company, such assignment/transfer shall not require the consent of the other Party. The Contractor undertakes to inform SE about this fact without undue delay.

If in accordance with this clause, the Contractor establishes the pledge right over the receivables from SE under the Contract, the Contractor undertakes to inform SE without undue delay about any change or extinction of the pledge right established over the receivables from SE under the Contract.

11.2 The Contractor shall not be entitled to transfer its obligations resulting from the Contract without the previous written consent of SE. Otherwise, such transfer of obligations shall be invalid.

XII. CONTRACTOR'S DUTIES

12.1 The Contractor undertakes to provably familiarise the Subcontractors and its personnel taking part in the provision of the Performance in favour of SE with all the duties resulting from the GTC and to ensure their observance by its employees, Subcontractors and Subcontractors' employees.

12.2 Based on the request of SE, the Contractor shall be obliged to provide SE with all information and data regarding the provision of the Performance under the Contract or to supplement them within an adequate time period. At SE's request, the Contractor is obliged to submit documents proving the nature of the Contractor's contractual relationship with personnel entering the premises of SE (e.g. a certificate of registration with the Social Insurance Institution).

12.3 The Contractor declares that:

- a) the items supplied by the Contractor in connection with the provision of the Performance are not encumbered and will not be encumbered at the time of Performance provision by any right of a third party, in particular, but not only, by a third party reservation of property, by any lien or pre-emption;
- b) such items are not leased and will not be leased to any third party at the time of the provision of the Performance; and
- c) there is no legal regulation or decision of a public authority which would in any way prevent the Contractor from disposal of such items.

12.4 In case of providing the Performance in the premises of SE, the Contractor undertakes to observe the terms and conditions specified in the GTT, or SSTC.

12.5 During the Contract duration, the Contractor shall be obliged to notify SE in writing **within 5 working days** of the receipt of the SE's request for:

- a) information concerning the Contractor's ownership and management structure (e.g. information on its partners/shareholders (direct or indirect), beneficial owners, member of bodies and their close persons);
- b) any changes regarding its:
 - (i) business name,



- (ii) registered office or place of business,
 - (iii) scope of business,
 - (iv) statutory bodies including the way of their acting towards third persons,
 - (v) ownership and/or management structure, its beneficial owners pursuant to point (a) above;
- c) entry into Contractor's liquidation;
 - d) commencement of execution procedure covering the Contractor's assets; and
 - e) commencement of a procedure pursuant to Act No. 7/2005 Coll. on bankruptcy and restructuring and on the amendments and supplements to certain acts as amended.

The Contractor shall also promptly notify SE when its employee, who has been for the Performance purpose allowed to access the SE's premises, has ceased to meet the access conditions, in particular the integrity conditions. This notification obligation shall apply accordingly to the subcontractors' employees and self-employed individuals.

In the event that the Contractor violates the duty pursuant to this clause, SE shall be entitled to claim from the Contractor a contractual penalty in accordance with clause 15.5 herein.

12.6 The Contractor declares that:

- a) it disposes of all the authorisations required by the respective legal regulations and respective bodies for the fulfilment of the Contract conditions and for proper and timely Performance execution and the executed Performance is in compliance with the scope of its business,
- b) it is able to execute the Performance properly and in time according to the conditions of the Contract and annexes thereto; the Contractor also declares that the Performance will be carried out by professionally competent personnel meeting also the integrity as well as other conditions in compliance with the valid legal regulations and GTT, or SSTC if they are part of the Contract,
- c) in the event that the Contract also contains the list of subcontractors, the Contractor undertakes to observe the duties specified in Article X; in the event that the Contractor violates the duties specified in Article X, SE shall be entitled to claim from the Contractor a contractual penalty in accordance with clause 15.6 herein,
- d) in the event that damage occurs during the Contract execution in connection with its activity, it undertakes to compensate the damage to SE to a proved extent, including the lost profit,
- e) it is aware of the scope of the Performance as well as of other circumstances affecting the fulfilment of the Contract and Performance execution. In this connection, the Contractor confirms that it cannot refer to an error or to acting by mistake or to the fact that some deliveries are not specified in the Contract or its annexes unless the errors or mistakes are caused exclusively by SE by its wilful activity or if it did not draw attention to them prior to the signing of the Contract,
- f) it has checked properly and in detail all the documents,

background data handed over to it by SE or representing annexes to the Contract and at the same time it undertakes to execute the Performance based on them; in this connection, the Contractor is obliged to check also any other things, documents, background data provided by SE for the purposes of Performance execution and the Contractor shall inform SE without undue delay (no later than within 7 days after the date of takeover) in writing in a registered letter about any discrepancy, ambiguity, error or incompleteness or imperfectness, which results or could result in defects, malfunction of the Performance or its part, any deviation from the contractually specified standard, function or purpose of the Performance or in the influence on the Performance Price, otherwise, the Contractor's claims connected with the incompleteness or imperfectness of the background documents handed over to it by SE will cease to exist.

- g) it is not listed among the sanctioned entities or included in any other similar lists issued by (i) the European Union; (ii) the United States of America; (iii) the United Nations; (iv) the Slovak Republic; (v) the United Kingdom of Great Britain and Northern Ireland, (vi) the Kingdom of the Netherlands, (vii) the World Bank, (viii) the European Bank for Reconstruction and Development, (ix) the European Investment Bank, (x) the member states of the European Union (hereinafter jointly the "**Applicable Sanction Lists**").

12.7 In executing the subject matter of the Performance under the Contract, the Contractor undertakes to observe all the duties resulting from:

- a) generally binding legal regulations of the SR,
- b) generally binding legal regulations governing the areas of the labour law and illegal employment, OHS, FP and creation and protection of the environment, and
- c) those parts of SE internal regulations, with which he has familiarised himself provably and which are applicable to:
 - (i) the activities performed by the Contractor for SE, and
 - (ii) the activity of the Contractor's personnel on the territory and the premises of SE on the basis of the Contract.

12.8 In the event that the Contract or its annexes do not contain certain facts concerning the Performance execution, the Contractor shall be obliged to notify the facts to SE in writing no later than prior to Contract signing. In the event that the Contractor fails to inform SE about the facts in writing, SE shall not be obliged to accept any comments after the conclusion of the Contract on the facts found later or not indicated and they shall be deemed to have been known by the Contractor prior to Contract conclusion.

12.9 In the event of any conflict between the Parties regarding the scope, contents or quality of the Performance, in the cases, which are not directly and/or indirectly solved by the Contract or its annexes, the written standpoint of SE shall be decisive until the adoption of a mutual agreement of the Parties or a decision of the respective body and the Contractor shall be obliged to respect the standpoint of SE and to comply with any conditions set out therein. The Party, whose standpoint in solving the conflict turns out to be incorrect shall bear the costs connected with the solving of this conflict.



- 12.10 If during the Performance execution any conflicts occur between SE and the Contractor, the Performance must not be suspended, interrupted or delayed or otherwise affected by the Contractor.
- 12.11 Any consent or approval of SE or of its authorised representative regarding the Performance, documents, documentation or work performed by the Contractor shall not relieve the Contractor from its liability for proper and timely execution of the Performance, as well as for the correctness of the submitted documents, documentation, background data or works.
- 12.12 At the delivery of spare parts, equipment and goods (hereinafter only as the "**material**") for technological facilities must be applied the rules for preventing penetration of foreign objects into the facilities (Foreign Material Exclusion – hereinafter only as "**FME**") in such way that the delivered material mustn't contain any foreign object and such material must be secured against penetration of foreign objects during the transportation and storage. The Contractor is responsible for the delivery of material free of foreign objects. The Contractor is responsible for ensuring that the delivered materials do not contain foreign objects or contaminants, including interior surfaces and cavities. All external openings must be secured (covered) preventing the penetration of foreign objects. The plugs, overlays or covers (hereinafter only as "**barrier**") must be made of a material that is compatible with the material supplied, in order to guarantee the prevention of negative impact on the delivered material (e.g. barrier containing halogens or heavy metals must not be used for goods of stainless steel). Barrier or part thereof shall not constitute a foreign object (solid materials, not flaking or not cleaving materials, stainless, chemically stable etc.). Barriers must be clearly visible and barriers installed inside the goods must be supplemented with elements drawing attention to their presence. Barriers which were covered with paint during the manufacturing process must be replaced or visualized. **It is not allowed to use as the barrier the paper, insufficiently solid plastic foil, foam and polystyrene.** When desiccants or other preservatives are used to protect the goods, the relevant part or material must be clearly labelled or accompanied by a label with information about the type of preservative, location and any special instructions applicable to his removal before installation, or any other information, such as number of packages of desiccants. The overlap must not allow the accidental detaching. The overlap must not allow its accidental removal.
- 12.13 In the event where the process of concluding the Contract is subject to the provisions of Act no. 343/2015 Coll. on public procurement and on the amendments and supplements to certain acts as amended (hereinafter "**PPA**"), the Contractor declares that at the time of concluding the Contract it is entered in the Register of Public Sector Partners (hereinafter "**Register**") in accordance with Act no. 315/2016 Coll. on the Register of Public Sector Partners and on the amendments and supplements to certain acts as amended (hereinafter "**PSPA**"), and throughout the life of the Contract it shall remain entered in such Register. The representation on the obligation to be entered in the Register under the previous sentence shall also apply to any Subcontractors.
- XIII. LIABILITY FOR DAMAGE**
- 13.1 The Contractor shall be responsible for losses SE incurs due to its failure to adhere to legal or contractual obligations or SE incurs due to its performance during the Contract fulfilment.
- 13.2 Unless otherwise agreed in the Contract, the Contractor undertakes to indemnify SE for all the duties, losses, damage, fines, claims, complaints, taxes, obligations, disputes, expenses and costs (including the adequate fees for legal consulting, costs and expenses of investigation), which SE will have to execute or which are incurred by SE and related to or occurring on the basis of the direct or indirect violation of any declaration, guarantee or obligation of the Contractor under the Contract.
- 13.3 If during the Contract fulfilment damage is caused to SE due to the Contractor's activities, the Contractor undertakes to compensate for the damage caused to SE to a provable extent according to this Article. The Contractor shall compensate the damage to SE **within 10 days** from the delivery of its statement to the Contractor.
- 13.4 The title to claim the contractual penalties according to the Contract or Article XV, shall not affect the title of SE to damage compensation in an amount exceeding the contractual penalty.
- 13.5 SE and the Contractor are not responsible for damage suffered as a result of circumstances excluding liability pursuant to Article XVII.
- XIV. WARRANTY AND LIABILITY FOR DEFECTS**
- 14.1 The Contractor declares and guarantees that the Performance will be delivered to the SE in compliance and to the extent, quality and under conditions as agreed in the Contract and annexes thereto. At the same time, the Contractor guarantees that the Performance will be free of legal defects.
- 14.2 Unless stated otherwise in the Contract, the Contractor undertakes that the Performance will retain its features pursuant to the Contract and shall be held liable for defects of Performance throughout the warranty period which shall be **24 months**.
- 14.3 The warranty period shall start on the day of signing of the Takeover Protocol by the representative on behalf of SE pursuant to the clause 9.4.1 herein, if not agreed otherwise in the Contract or in legal regulations in force. If the Contractor is obliged to send the Performance to SE, the warranty period shall start to lapse from the day of arrival or handover of the Performance to the place of destination and its takeover by SE.
- The Contractor may unilaterally extend the warranty period by making a statement of warranty extension.
- If the quality warranty is provided, the warranty period shall start to lapse at the moment of passing of the risk of damage to the Performance to SE.
- 14.4 The warranty period shall not apply for the period when SE is unable to use the Performance due to its defects for which the Contractor is responsible. The warranty period shall also be interrupted for the parts of Performance, on which the claimed defects are being removed and shall recommence only on the day following after the date of SE's written confirmation of the defect's removal. In case of defects to the Performance, for which repair is only possible through exchange of the part or replacement thereof, the warranty period shall recommence on the day following after the date of removal of such defects repaired this way and their written takeover by SE.
- 14.5 The warranty also applies to any defects resulting from defects of material or defective components of the Performance. The Contractor is responsible for defects of material, defects caused



- by the manufacturer, Subcontractor or any other defects.
- 14.6 The Contractor shall notify SE in writing, at the latest on takeover of the Performance, of any specifics of the Performance provided and at the same time provide SE with a detailed manual defining the necessary maintenance. In case of the parts of the Performance, for which a special service or reviews are requisite by the manufacturer or supplier, the Contractor is obliged to provide SE with a written service plan or a plan of mandatory reviews over the warranty period, along with drafts of relevant service contracts with the entities authorized to carry out such service or review.
- 14.7 If performance which is purchased by the Contractor from a third party for resale to SE is covered by a warranty provided by the third party, this must not be shorter than the period pursuant to clause 14.2 herein from the Performance takeover. The Contractor is obliged to inform SE about any circumstances which could possibly influence filing of claim from defects of such Performance, in particular, it is obliged to notify SE in writing of the date of expiry of the warranty period and is obliged to hand over the SE on handover of the Performance any documents necessary to be submitted in case of filing claims from liability for defects, as well as a full list of parts of the Performance, specifying the warranty period of a particular part of the Performance.
- 14.8 The Performance has defects if it fails to correspond with the result specified in the Contract, with the purpose of its usage, or if the qualities set out in the Contract or in the generally binding legal regulations or valid technical standards or other obligations of the Contractor pursuant to the clause 9.4.7 herein failed to be met.
- 14.9 The Contractor shall be held liable for defects of the Performance at the time of its handover and takeover by SE, regardless of when the defect was detected by SE, even if the defect becomes obvious (detected by SE) after this time, if SE notifies such defects to the Contractor not later than until expiry of the warranty period.
- 14.10 In the event that the Performance shows obvious defects at the takeover, SE shall be entitled to refuse to take over the Performance. If takeover of the Performance is refused, SE shall make a record where it shall state the defects. One counterpart of the record on the refusal to take over the Performance shall be provably handed over to the Contractor. The Contractor is obliged to remove the defects without undue delay, however at the latest **within 5 working days**, unless the Parties agree otherwise. After their removal, the Contractor shall be obliged to repeatedly call upon SE to take over the Performance pursuant to this clause and to draw up the Takeover Protocol pursuant to the clause 9.4.1 herein. Should the Parties agree a period longer than 5 working days, the Contractor is obliged to start removing the defects within 2 working days from the drawing up of the record pursuant to this clause.
- 14.11 SE may take over the Performance with defects that do not prevent its use or unfinished works that are capable of use (hereinafter referred to as "**Small Defects**"). If this is the case, the Takeover Protocol shall contain a list of Small Defects. Description of the Small Defects mentioned in the list shall be specific and clear, and a date of removal of each Small Defect shall be agreed on with the Contractor. Where agreement on the date is not reached due to various reasons, the deadline for the Small Defect removal is **5 working days** after its detection at

the Performance takeover.

Should the Parties agree a period longer than 5 working days, the Contractor is obliged to start removing the Small Defects within 2 working days from drawing up the Takeover Protocol. For the avoidance of doubt also in the case of takeover of the Performance with Small Defects, the Performance will be deemed duly handed over and the Contractor's obligation duly fulfilled only upon removal thereof.

- 14.12 The Contractor is responsible for defects of the Performance which arose after the Performance's handing-over if these defects were caused by a breach of its duties or if the defect occurs in the context of SE's action (e.g. defects occurring due to damage to the Performance by SE or by a third party, or due to an act of SE or a third party) according to the user manual or other documents supplied by the Contractor pursuant to the Contract (e.g. pursuant to the clause 14.6 herein).

- 14.13 The Contractor is not responsible for defects of the Performance that resulted when SE supplied inappropriate or incomplete basic documents by SE and the Contractor could not find out their inappropriateness even when using professional care, except in the event of a breach of the declarations or obligations of the Contractor pursuant to the clause 12.6 herein, or when the Supplier notified SE of inappropriateness in writing and SE insisted on their usage.

14.14 **Claims for defects**

If the Contractor provided a Performance with defect/defects, SE may:

- a) ask for removal of the defect/defects at the Contractor's expense by alternate performance instead of the Performance with defects;
however, SE is not entitled to require the provision of the alternate performance, if it is not possible to return or hand the Performance over to the Contractor considering its nature, except for the Performance on the basis of contract for work, where SE are entitled to require the alternate performance even if it is not possible to return or hand the Performance over to the Contractor considering its nature, unless agreed otherwise by the Parties, or
- b) require the removal of the defect/defects by the delivery of missing Performance, or
- c) require the removal of defect/defects at the Contractor's expense in the form of repair in the case of reparable defects; or
- d) require an adequate discount from the Price of the Performance; or
- e) withdraw from the Contract.

SE shall be entitled to choose from the claims referred to in this clause only if SE informs of such choice to the Contractor in the claim.

SE shall be entitled to refuse partial Performance, i.e. Performance which does not contain the agreed scope of the Performance.

All the cost connected with defects' removal shall be borne by the Contractor.



14.15 SE shall claim defects to the Contractor in written without undue delay from the time of their detection. SE shall define its requests and the choice between the claims mentioned in the clause 14.14 herein. SE may also enclose appropriate evidence with its claim. SE cannot change the applied claim without the Contractor's approval, except for the following cases:

- a) After lapse of a period of time set by SE or a period defined in the clause 14.16 herein, the Contractor fails to carry out significant part of the acts leading to the satisfaction of SE's claim, or
- b) The defects of the Performance are irreparable, i.e. the removal of the defects would be connected with unreasonable cost exceeding 50% of the Price, or
- c) Unreasonably extensive cooperation would be required from SE for the removal of the defects, or
- d) The removal of the defects would only be possible after lapse of an disproportionate period of time.

14.16 If not set otherwise by SE in the claim, the Contractor undertakes to start eliminating the defects without undue delay after filing of the claim by SE in writing, within 3 working days after delivery of the claim to the Contractor at the latest, in case of operation-related failures within 12 hours at the latest (in case of breakdowns immediately). The Contractor is obliged to remove the claimed defects in the shortest possible period of time, however, at the latest **within 5 working days** after delivery of the claim to the Contractor, unless set otherwise by SE in the claim. This shall not apply in the cases, when it is not objectively possible, due to technical or technological reasons, to remove the defect within the aforementioned 5-day period (e.g. due to the delivery term of the material) and the Contractor notifies SE of this fact prior to expiry of the aforementioned period along with proper justification, in particular at the latest within 3 working days from the date of delivery of the claim. Otherwise, the aforementioned periods shall apply.

14.17 After removal of the claimed defect, the Contractor and SE shall execute a protocol on the removal of warranty defect, where SE shall confirm that the defect has been removed duly and on time. For the avoidance of doubt, a defect shall be deemed duly removed only by confirmation of SE on removal of the defect in the written protocol pursuant to the previous sentence.

14.18 Should the Contractor fail to start eliminating the defects of Performance immediately or continue with the proper elimination of the defects or meet the duty of eliminating the defects of the Performance within the period referred to in this clause, SE may claim from the Contractor the contractual penalty pursuant to the clause 15.3 herein.

14.19 The Contractor is not entitled to refuse or anyhow postpone removal of claimed defect even if, in its opinion, the claim in question is not justified or not within its responsibility. However, the Contractor is entitled to subsequently prove duly the insubstantiality of such claim and if this is proved, the Contractor shall be entitled to compensation of costs provably incurred to remove such defect, but only on condition that SE was notified of such circumstances by the Contractor within 3 working days from the claim delivery. Until a lawful decision on the claim is taken, all costs shall be temporarily borne by the Contractor. For the avoidance of doubts, the burden of proof that a defect claimed by SE during the warranty period is not a warranty defect

and thus not within the Contractor's responsibility, shall be fully borne by the Contractor.

14.20 SE is entitled to make a unilateral assignment (even without the Contractor's consent) of their rights resulting from the warranties provided by the Contractor for Performance, to any third person, or several third persons.

14.21 For the avoidance of doubt, during the warranty period, the Performance shall be fit for use and shall preserve the features (quality) agreed upon herein.

14.22 Claims for failure to remove defects

Should the Contractor fail to remove the defects within the deadline referred to in clause 14.16 herein or if the Contractor notifies SE prior to the expiration of the deadline for their removal that he will not remove the defects, SE may:

- a) remove the defects themselves or have them removed by a third party without any influence on the Contractor's warranty, at the Contractor's expense,
- b) claim a reasonable discount on the Price for the Performance;
- c) withdraw from the Contract.

In such case, SE is obliged to inform the Contractor about its decision in writing and without undue delay.

Should SE remove the defects themselves or have them removed by a third party, the price of these works will be standard, considering the specific circumstances of the case (time pressure especially), however, regardless of the Contractor's prices. Such price of works carried out by SE or a third party shall be charged to the Contractor up to the amount of invoiced costs, with a coordination premium equal to 10% of the total net invoiced price.

14.23 Price discount

In case SE seeks a Price discount as a result of defective Performance, the Parties agree that the Price discount will be defined on the basis of their written agreement. If the Parties do not agree on an adequate Price discount **within 30 days** from the day of sending of a claim notice, the Price discount shall be calculated as a sum of:

- a) the difference between the value that the Performance should have without any defects and the value of the defective Performance at the time when the Performance should be provided, and
- b) costs to be spent by SE on activities necessary for the Performance to become free of any defects pursuant to the Contract.

The value of the Performance without defects and the value of the Performance with defects as well as the sum of costs spent by SE for elimination of the defects shall be specified by an expert opinion submitted by SE.

In case of the Price discount application by SE before issuance of an invoice for the Performance to which the Price discount relates, the Contractor shall decrease the invoiced Price by the amount of the discount. In the case of the Price discount application by SE after issuance of an invoice for the Performance, the Contractor shall issue an invoice for the



correction of the VAT basis in compliance with valid legislation, unless the provision below applies. The Contractor is obliged to issue and deliver the corrective invoice not later than within 15 days from the day when the Parties agreed on the Price discount. The provisions of clause 7.2 shall apply to the delivery of the corrective invoice.

If the Contractor is a VAT payer in the SR and SE applies a Price Discount pursuant to this clause, the Contractor and SE agree, that in compliance with the provision of Section 25 (6) of the Act on VAT, the tax basis and tax payable shall not be adjusted.

14.24 Legal defects

14.24.1 The Performance shall be deemed to have legal defects if it is encumbered with a right of a third party or if the Contractor is obliged to create such third-party rights (e.g. with the right resulting from industrial and intellectual property, lien and the like). The Performance shall also be deemed to have legal defects in the case pursuant to Section 433 (2) of the Commercial Code. The application of Section 434 of Commercial Code shall be excluded for the purposes of this Contract (hereinafter referred to as "**the Legal Defects**").

14.24.2 SE shall be obliged to notify the Contractor of the defects in writing after he has learned about the exercise of the third-party right.

14.24.3 If the Performance has any legal defect, SE shall be entitled to request from the Contractor to remove the legal defects without undue delay and at its own expense, not later than **within 30 days** after the delivery of SE's written notice on the Legal defect, unless set otherwise by SE in the notice.

14.24.4 If the Contractor fails to remove the legal defects of the Performance within the deadline pursuant to preceding clause, SE shall be entitled to:

- (i) request a discount on the Price; or
- (ii) withdraw from the Contract.

14.24.5 SE is obliged to make the choice of the entitlements according to preceding clause **within 30 days** after expiry of the deadline pursuant to clause 14.24.3 herein.

Until the time of removal of the Legal defects, SE shall not be obliged to pay that part of the Price which would correspond to the SE's right to a discount if the Legal Defects were not removed.

14.24.6 In the case of Legal defects of any component of the Performance, the Contractor shall be also obliged to defend SE, at its expense, against the claims of third parties resulting from the breach of their rights, and to pay all sums, in particular, the costs, damages and costs of legal representation, which will be adjudicated by a final court decision to a third party, or to which such a third party will be entitled, according to a third party settlement agreement approved by the Contractor, provided that SE notify the Contractor in written form of the Legal defects within the deadline pursuant to preceding clause and allow the Contractor

to cooperate with SE in the defence and related negotiations on a settlement.

In such a case, the Contractor shall have the obligations referred to in this clause also in the case that third-party rights are breached due to the actions of SE or a third party authorized by SE, made according to the specifications or instructions communicated by the Contractor to SE in advance.

14.25 Other relations of the Parties related with the warranty for Performance, defects of the Performance or entitlements resulting therefrom, shall be governed by the respective provisions of the Commercial Code.

XV. CONTRACTUAL PENALTIES AND SANCTIONS

15.1 If the Contractor fails to commence executing the Performance according to this Contract or if it interrupts provision of the Performance, SE may claim from the Contractor the contractual penalty in the amount of **10% of the Price**.

15.2 Should the Contractor fail to meet the deadline for the delivery of the Performance agreed in the Contract, SE may claim from the Contractor the contractual penalty in the amount of **0,5%** of the price for non-delivered Performance for every, even a started, day of delay. The above shall also apply if the Contractor fails to meet the deadline for the Payment Milestone, or in the case of non-delivery or delayed delivery of documents, that are necessary for the takeover or use of the Performance, or other documents, which the Contractor is obliged to hand over to SE under the Contract.

15.3 Should the Contractor fail to start removing the defects of Performance or of Legal Defects without undue delay or to continue with the proper removal of the defects or to meet the duty of removing the defects of the Performance or of Legal Defects pursuant to the clause 14.16 or 14.24.3 herein or another deadline agreed between SE and the Contractor, or set in the Takeover Protocol, SE may claim from the Contractor the contractual penalty in the amount of **0,5% of the Price**, for every individual defect of the Performance or of Legal Defect for every, even a started, day of the delay related to its removal.

15.4 If the Performance has defects not caused by SE, and SE will not be able to properly utilize the Performance during the warranty period, SE is entitled to claim from the Contractor and the Contractor is obliged to pay the contractual penalty in the amount of **2,5% of the Price**.

15.5 Should the Contractor fail to fulfil any obligation from those mentioned in the clause 8.6 and in the clause 12.5 herein, SE may claim from the Contractor the contractual penalty in the amount of **EUR 100** for every individual breach.

15.6 Should the Contractor fail to fulfil any obligations from those mentioned in the Article X. herein, SE may claim from the Contractor the contractual penalty in the amount of **1% of the Price** for every individual breach with an exception of the case when the Contractor breaches in full extent his obligation to pay off all the Subcontractors for all subcontractor obligations and/or to pay for any additional costs related to this subcontractual relations pursuant to clause 10.11d), then SE are entitled to apply a contractual penalty from the Contractor in amount of 100% from the part of the Price that was performed in a form of subsupply and such subcontract performance wasn't payed off in a full extent by the Contractor to the Subcontractor for each



- individual breach, and/or contractual penalty in amount of 100% from any additional costs related to this subcontractual relation or their parts that were not paid by the Contractor to the Subcontractor namely for each individual breach.
- 15.7 Should the Contractor assign or establish the pledge right over the receivables resulting from the Contract contrary to the clause 11.1 herein, SE may claim from the Contractor a contractual penalty in the amount of **100%** of the financial volume of such assigned, pledged or sold receivable. For the purposes of this clause, the financial volume shall mean the total value of the principal receivables including the value of accessories to the receivables as of the date of the assignment or sale or other disposal of the receivable.
- 15.8 If information of a confidential nature (trade secret, personal data, confidential information of financial nature, sensitive information pursuant to § 3 (16) and (17) of Act No. 541/2004 Coll. on the Peaceful use of nuclear energy (Atomic Act) and on the amendments and supplements to certain acts as amended, sensitive information about critical infrastructure etc.) is leaked on grounds for which the Contractor is liable or if the Contractor breaches any obligation from those mentioned in the Article XXII herein, SE may claim from the Contractor the contractual penalty in the amount of **EUR 20,000** for every individual breach.
- 15.9 In case of breach of the prohibition of bringing in and taking out prohibited items pursuant to clause 9.1.3 herein, SE may claim from the Contractor a contractual penalty in the amount of **EUR 1,700** per case, except for the cases defined in letter b). A worker for the Contractor who breaches the prohibition will be included in the database of undesirable persons with entry banned for the whole contract term, as a minimum for a period of **12 months** from such violation, and potentially for longer period, depending on the severity of breach.
- 15.10 In case of a breach of the obligation set under point 9.1.5, SE may enforce against the Contractor and/or the Contractor's personnel the following sanctions:
- If a breathalyser test result is in extent from 0.01 mg/l to 0.14 mg/l (0.02 – 0.30 per mille) including– the controlled Contractor's worker shall be banned from entry into SE, he shall be expelled from SE 's premises, escorted by SBS or an authorised worker of SE and his Entry IDC shall be retained until the following day
 - If a repeated breathalyser test result is 0.15 mg/l and more (above 0.30 per mille and more) or in the event of **reasonable suspicion** that a person - the Contractor's worker is under the influence of narcotic and/or psychotropic substances, or in the case of finding a positive result for the use of narcotic and/or psychotropic substances based on an examination by SE or an examination at a respective health care institution, the Entry IDC of the controlled Contractor's worker shall be taken, he shall be banned from entry and he shall be expelled from SE 's premises, escorted by SBS or an authorised worker of SE. The controlled Contractor's worker shall be banned from entry into the premises of SE for 12 months.
 - In case of refusal to undergo a breathalyser test or an examination for the use of narcotic and/or psychotropic substances – the Entry IDC of the controlled Contractor's worker shall be taken, the Contractor's worker shall be banned from entry to SE 's premises for the period of 12 months and he shall be expelled from SE 's premises, escorted by SBS or an authorised worker of SE.
- 15.11 For demonstrable breach of the OHS and FP legal regulations and rules by the Contractor, SE may claim the contractual penalty from the Contractor:
- In the amount up to of **EUR 1,500** for each individual case, unless the breach has been classified severe, very severe or severe according to the Indicative list included at the end of this document,
 - In the amount up to of **EUR 2,500** for each individual case, for severe breach according to the Indicative list included at the end of this document,
 - In the amount up to of **EUR 5,000** for each individual case, for very severe or extremely severe breach according to Indicative list included at the end of this document.
- 15.12 In case of repeated breach of OHS and FP rules by the same person of the Contractor 's personnel or in case of occurrence of a very severe or extremely severe breach present in the Indicative list which is included at the end of this document, SE are entitled to take out this person from the SE 's premises and this person will be included in the database of undesirable persons with entry banned for the whole contract term, up to a maximum period of **12 months**.
- 15.13 Should the Contractor breach the OHS and FP legal regulations and rules, resulting in:
- an accident at work of a member of SE personnel, Contractor's personnel or third party causing the affected person's incapacity for work lasting up to 30 days, SE may claim a contractual penalty from the Contractor in the amount of **1% of the Price**, however not less than **EUR 5,000** per each individual case,
 - a fatal accident at work of the SE personnel, Contractor's personnel or third party personnel, or serious accident at work of the SE personnel, Contractor's personnel or third party that caused the personnel's incapacity for work lasting longer than 30 days, SE may claim the contractual penalty from the Contractor in the amount of **2% of the Price**, however not less than **EUR 33,000** per each individual case.
- 15.14 For failure to report a fire, accident or an extraordinary event with effect to the environment pursuant to the clause 24.4 herein, SE may claim the contractual penalty from the Contractor in the amount of **EUR 2,000** per each case.
- 15.15 In case of breach of valid legal regulations regarding the environment on the SE 's premises by the Contractor's personnel, SE may claim the contractual penalty from the Contractor in the amount of **EUR 2,000** per each case.
- 15.16 In the event that a penalty or any other type of sanction is imposed on SE by public authorities in connection with the Contractor's breach related to:
- notification obligations pursuant to clauses 8.1 or 8.2 herein,
 - issuance of an invoice that does not meet the requirements under the relevant legislation applicable in the country of the Contractor's residence, or the if the invoice does not contain the requirements under the Contract,
 - tax and/or customs obligations,



- d) obligations related to nuclear safety,
- e) obligations related to OHS and FP or
- f) obligations related to environmental protection,

which are set out in the Contract, SE shall be entitled to a contractual penalty and the Contractor shall be obliged to pay a contractual penalty in the amount of the imposed penalty and/or sanction, and that in its full extent.

If SE is obliged to pay a certain financial sum imposed by the state authorities in connection with the Contractor's breach of tax and/or customs obligations in line with the applicable legal regulations (e.g. additionally levied tax, non-recognizing of the entitlement to deduct VAT) in addition to the imposed sanction and/or penalty as stated in the previous sentence, this financial sum shall be also included into the contractual penalty agreed herein.

The Contractor hereby declares in line with Section 401 of the Commercial Code, that the limitation period for SE's right to contractual penalty as stipulated herein, shall not be statute barred earlier than 10 years after the day of the breach of the Contractor's obligation as set out herein, if no special arrangement for the start of the limitation period is defined in special legal regulations.

- 15.17 Any contractual penalties pursuant to the Contract will be applied in the form of a **penalty invoice** and are **due within 10 days following the day of issuing** a penalty invoice.
- 15.18 The Parties declare the amount of contractual penalties agreed under the Contract to be considered as adequate to the secured claims.
- 15.19 A claim for payment of the contractual penalty shall not relieve the Contractor of the obligation to provide the Performance or hand over the documents under the Contract.
- 15.20 If the amount of contractual penalties, which SE claimed from the Contractor pursuant to the Contract, exceeds the limit of 50% of the Price, SE is entitled to withdraw from the contract.
- 15.21 SE may decide with regard to the circumstances of individual case based on its own consideration not to apply a full amount of the contractual penalty under the Contract. Such partial application of the claim of contractual penalty doesn't result in the expiry of SE's claim to apply a rest of the not applied part of contractual penalty later. The Contractor has no claim for reducing the contractual penalty.

XVI. SUSPENSION OF WORKS AND TERMINATION OF THE CONTRACT

16.1 Suspension of works

- 16.1.1 In the case of any breach of the Contractor's obligations related with OHS, FP and the environmental protection during execution of the Performance on the SE's premises, or an outage of SE's equipment will occur from the side of SE having an impact on the Performance execution, or the decision of state body that SE shall ensure in connection with the Performance execution wasn't issued without SE's fault, SE shall be entitled to give an instruction to the Contractor and the Contractor, based on this instruction, will be obliged to suspend (even repeatedly) all or some works on the Performance.

SE shall specify to the Contractor the reason for its instruction to suspend works. Should the subject matter of Performance be manufacturing of work, the Contractor shall take appropriate measures for correct storage, conservation, protection and preservation of the work, and to protect, conserve and preserve work from any decay, devastation or damage during the suspension. SE shall make a record about such instruction in the Logbook. SE shall inform the Contractor about the estimated duration of the suspension and in case of change in the estimated duration of the suspension, SE shall inform the Contractor about a new estimated date of re-starting of works. In case of any suspension of works, the Parties always have to meet in order to discuss the scope of suspension, in particular demobilisation, scope of conservation works, estimated costs of suspension and other consequences. The obligation of the Contractor to interrupt the works does not concern a suspension of technology equipment and other activities, if pursuant to the Contract they are supposed to be manufactured outside SE's premises or if the place of delivery/execution, handover and takeover of the Performance is outside SE.

16.1.2 Should:

- (i) the instruction for suspension be given for a period not longer than **7 calendar days** and in total such instructions for suspension of works do not exceed **20 calendar days**; or
- (ii) the Contractor bear the responsibility for the reason causing instruction for suspension, or if such suspension was caused by breach of the Contract by the Contractor,

then all costs incurred with regard to the suspension of works are borne by the Contractor.

- 16.1.3 Should the Contractor due to the suspension get into delay, the Contractor shall inform SE. If the delay of the Contractor arose from the reasons on the part of SE, the Contractor shall have the right for extension of the deadline for the execution of the Performance, including the dates of the Payment Milestones, if any.

- 16.1.4 The Contractor is not entitled to the extended deadline for executing the Performance, including the dates of the Payment Milestones, if the Contractor is liable for the reason why a suspension was ordered or such suspension was enforced as a result of a breach of the Contract by the Contractor (defective performance, breach of the Contract). Costs connected with repeated commencement of works shall be borne by the Contractor.

- 16.1.5 After issuing a permission or instruction to continue works, SE and the Contractor shall together review the subject matter of Performance to which the suspension of works applied. The Contractor shall repair or replace decay, defects, degradations or damage in the Performance if they occurred during suspension of works. Should it be necessary, due to error of the Contractor, to perform certain measures to mitigate losses, the Contractor shall take such measures.



16.2 SE and the Contractor have agreed that the Contract shall be terminated by:

- a) The delivery of the Performance and by fulfilment of the related contractual obligations of the Parties,
- b) Expiration of the term for which the Contract is concluded,
- c) A written agreement of the Parties,
- d) A written notice of termination under clause 16.3 herein,
- e) A written withdrawal from the Contract pursuant to clause 16.4 herein.

16.3 Termination of the Contract by notice

Unless otherwise agreed in the Contract, SE shall have the right to terminate the Contract for the recurring Performance concluded for a fixed term, without giving reasons, by delivery of a written notice of termination to the Contractor.

Notice period is **one month** which shall start on the first day of the month following the delivery of the notice to the Contractor.

In case of a Performance with the character of a work, the Contractor shall undertake to hand the work over to SE in the condition in which it is at the end of the notice period, and SE shall undertake to pay to the Contractor only the amount to which it is entitled with regard to the degree of the work's completion. The sum shall be set on the basis of an agreement of the Parties. If the Parties do not agree within **15 days** from the termination of the Contract or in the period agreed between the Parties, the sum shall be set by SE.

16.4 Termination of the Contract by withdrawal

Any Party is entitled to immediately terminate the Contract in the following cases:

- a) Pursuant to Section 345 (1) of Commercial Code, i.e. in case of material breach of the legal obligations or obligations laid down in the Contract by the other Party, where the Party should notify the other Party thereof immediately upon learning of such breach, or
- b) Pursuant to Section 346 (1) Commercial Code, i.e. in case of minor breach of the Contract, should the other Party breach some of its legal or contractual obligations and fail to make good even within an adequate additional period, upon written notice,

in which case termination shall be based on a unilateral written notice.

16.5 Termination of the Contract by withdrawal due to reasons on the Contractor's part

A material breach of the Contract by the Contractor shall be considered mainly but not limited to:

- a) The Contractor's delay of due completion of the Performance, exceeding **30 days**,
- b) The Contractor's interruption or suspension of the Performance without the instruction or consent of SE, exceeding **5 days**,
- c) Failure to observe the agreed deadline for the removal of a defect on the Performance, or deadline pursuant to the clause 9.2.3 herein, or delay with the removal of the defect

found out during the execution of the Performance recorded in the Logbook, in the claim or in other usual record the Contractor was familiarised with,

- d) If the Contractor acts in any way whatsoever contrary to the principles of fair business, commits an unfair competition act, acts contrary to legal regulations on competition protection, or harms the reputation and legitimate interests of SE through its action,
- e) If while providing the Performance for SE, the Contractor breached, circumvented or failed to comply with the provisions of those clauses of the Contract the breach of which is deemed a material breach of the Contract, applicable legal regulations or SE internal rules related to OHS, FP, the environmental protection, entries to SE's premises, prohibition of illegal employment or obligations towards SE resulting from the legal regulations valid in the territory of the Slovak Republic governing the area if illegal employment, or terms and conditions specified in the GTT, or SSTC if applicable,
- f) If the Contractor is declared bankrupt, the Contractor is in liquidation, there was discontinued a bankruptcy proceeding against the Contractor due to lack of assets or cancelled bankruptcy due to lack of assets,
- g) If the Contractor, the Contractor's statutory body or a member of the Contractor's statutory body was lawfully sentenced for the criminal offence of corruption, for the criminal offence of harming financial interests of the European union, for the criminal offence of money laundering, for the criminal offence of setting-up, organizing and supporting a criminal gang, for the criminal offence of setting-up, organizing and supporting a terroristic group, a criminal offence of terrorism, or some forms of involvement in terrorism or for a criminal offence concerning their professional conduct,
- h) If the Contractor has been deprived of the authorization to perform the subject matter of the Contract,
- i) Breach of a trade secret or an information of a confidential nature non-disclosure obligation,
- j) If the Contractor breached any obligation from those mentioned in the Article X on Subcontractors or if the Contractor breached the subcontract and in the Customer's opinion, such breach endangers the quality and timely delivery of the Performance or a part thereof (e.g. The Contractor fails to pay the Subcontractor's invoices duly and on time),
- k) Any other breach of the obligations by the Contractor having impact on proper completion of the Performance,
- l) Refusal by the Contractor to start executing the Performance,
- m) Refusal by the Contractor to continue executing the Performance according to the instruction from SE to continue executing the Performance, the interruption of which was instructed by SE,
- n) If the Contractor assigned the right or established the pledge right over the receivables resulting from the Contract without previous written consent of the Client contrary to the clause



11.1 herein,

- o) If the Contractor breached the obligation to enable execution of management system audit according to the clause 18.5 herein,
- p) If the Contractor breached the obligation and authorisation to use all the things, documents, background data handed over to it by SE exclusively for the purposes agreed upon in the Contract according to the clause 9.5.2 herein,
- q) if the Contractor, with whom the Contract was concluded based on a tender, fails to submit SE a declaration that is obliged to submit pursuant to the tender conditions, or if the submitted declaration proves to be false, incomplete or distorted, or if a reason appears based on which he as a tenderer could have been excluded from the tender.
- r) If, in the case of a Contract concluded on the basis of the public procurement act, the Contractor or any Subcontractor at the time of concluding the Contract was recorded in the Register, or if during the life of the Contract it was deleted from the Register,
- s) the provision of incomplete or untrue information under point 12.5a),
- t) if the contractor was included in the Applicable Sanction List,
- u) failure to conclude an addendum to the Contract pursuant to 4.3.

The Contractor is obliged to inform SE without undue delay about occurrence of any of the aforementioned situations, which may be the reason for SE's withdrawal from the Contract.

In order to avoid any doubt, the Parties expressly agreed that SE are entitled to withdraw from the entire Contract even if the subject matter of the Contract contains several separate Performances and the breach of the Contract, irrelevant whether material or minor, only applies to any individual Performance.

In the event of a withdrawal from the Contract due to reasons on the Contractor's part, SE shall be entitled to require handover of the part of the Performance already executed by the Contractor. In such case, SE shall pay to the Contractor the proportion of the Price corresponding with the Performance executed.

For the avoidance of doubt, the Parties state that withdrawal from the Contract shall not prejudice (i) SE's claim for payment of a contractual penalty under this Contract that arose prior to withdrawal, (ii) an agreement of the Parties regarding dispute resolution, or (iii) SE's claim for compensation of damage arisen prior to withdrawal.

16.6 Termination of the Contract by withdrawal due to reasons on the Contractor's part regarding non-compliance with the OHS and FP Requirements

SE is entitled to terminate the Contract due to following material breaches of the Contract:

- a) If the Contractor breaches any of the requirements concerning occupational health and safety of the Contractor's employees or persons involved in execution of the Performance, mainly:
 - (i) Failure to complete/sign/prepare/update/deliver the

documents concerning OHS and FP in the way and deadlines pursuant to the Contract or applicable legal regulations,

- (ii) If SE finds out that for execution of Performance the Contractor uses personnel, or persons who do not comply with the requirements for the specific execution of works, as set out in the Contract or applicable legal regulations,
 - (iii) If SE finds out that the Contractor has failed to observe the requirements set out in the Contract or applicable legal regulations related to OHS, FP and use of work equipment,
 - (iv) If SE finds out that the Contractor has breached any of the obligations set out herein related to OHS and FP.
- b) In case of occurrence of some of very severe or extremely severe breaches indicated in the Indicative list of severe, very severe and extremely severe breaches of occupational safety, provided at the end of this document.
 - c) In case of Contractor's breach of legal regulations and rules concerning OHS and FP resulting in an accident at work of SE personell, Contractor's personell or a third person causing death or grievous bodily harm or fire inception.

16.7 Unless otherwise agreed in the Contract, withdrawal shall enter into effect on the day of the delivery of the notice of withdrawal to the other Party and shall not affect the confidentiality of information provision which shall remain valid and effective.

16.8 In the event of a withdrawal from the Contract, the Parties shall agree **within 15 days** upon the manner of settling the liabilities resulting from the terminated contractual relationship.

If possible and unless agreed otherwise by the Parties, the Contract shall be cancelled from the very beginning and the Parties will mutually return any provided Performance and payments or other considerations and advances. SE shall waive any rights to the returned items. The cost of removal shall be borne by the Contractor.

If it is not possible or practical to return a part of the Performance and unless agreed otherwise between the Parties, SE shall not return a part of the Performance and the Contract shall not be cancelled from the very beginning, in which case SE shall pay the Contractor only for the part taken over and invoiced and if such part of the Performance has not been taken over and invoiced yet, SE shall pay to the Contractor only the amount to which it is entitled with reference to the degree of completion of the Performance. The sum shall be determined on the basis of an agreement of the Parties. If the Parties do not agree **within 15 days** from delivery of SE's written notice of withdrawal from the Contract, the sum shall be determined by SE. In such case, SE will only pay the Contractor the amount due for the work, services, or performances carried out, handed over and invoiced before the termination of the Contract came into effect, The Contractor shall be obliged to return SE any documents or materials provided to the Contractor by SE in connection with the Contract, namely immediately after:

- a) the Contractor delivered the Performance to SE pursuant to



the Contract;

- b) withdrawal from the Contract or termination of validity or effect of this Contract in any other way; or
- c) SE requests it.

XVII. LIABILITY PRECLUDING CIRCUMSTANCES / FORCE MAJEURE

17.1 Neither of the Parties shall be held liable for failure to perform its obligations arising from the Contract, except for the obligation of the Contractor to provide SE with information pursuant to the clauses 8.1, 8.4, **Chyba! Nenašiel sa žiaden zdroj odkazov.** and 12.5 herein if it is proven (whereas the conditions shall be fulfilled cumulatively) that:

- a) such failure was caused by extraordinary unpredictable and unavoidable events, and
- b) neither obstacles nor their consequences could be predicted at the time of the Contract conclusion; and at the same time
- c) neither obstacles nor their consequences could be prevented, avoided or overcome.

17.2 Unpredictable and unavoidable obstacles shall not include those which were caused due to failure to grant official permits, licences of similar authorisations for the purposes of the Performance.

17.3 The Party, on the part of which a circumstance precluding liability due to force majeure occurred, is obliged to inform the other Party about such obstacle preventing it from duly fulfilment of obligation, without undue delay after having known about the obstacle, or could have known about it considering all circumstances.

17.4 The Contractor cannot claim the liability precluding circumstances in the cases as follows:

- a) Meteorological conditions or phenomena which could have been reasonably anticipated taking into account the Contractor's experience and in this respect it was possible to avoid damaging effects, even if only partially,
- b) Failure to ensure or delay in ensuring of materials or workforce which occurred even it could have been reasonably anticipated taking into account the Contractor's experience or it could have been prevented or mitigated,
- c) Strikes at the Contractor or its Subcontractors, with the exception of nationwide strikes,
- d) Delay with executing works or services by Subcontractors, unless it was caused due to force majeure,
- e) Condition of the area, where the activities hereunder shall be performed, preventing duly fulfilment of contractual or legal obligations of the Contractor and which could have been reasonably anticipated taking into account the Contractor's experience, or which should have been detected by the Contractor during technical inspection of the area."

17.5 The consequences of circumstances precluding liability are limited to the duration of the obstacle to which these consequences are related.

17.6 The time of Performance shall be extended by the duration of liability precluding circumstances. During this period, the eligible

Party is not entitled to withdraw from the Contract.

17.7 Should the duration of liability precluding circumstances exceed **6 months**, either Party shall be entitled to unilaterally terminate the Contract by the withdrawal; such withdrawal is effective on the day of delivery of the notice on withdrawal to other Party.

XVIII. MANAGEMENT SYSTEMS OF THE CONTRACTOR

18.1 Depending on the nature of the Performance and related activities in terms of quality, environment and occupational health and safety, the Contractor is obliged to have an established, maintained and continuously improved management system in accordance with recognized international standards ISO and world's best practice, which proves to SE in the form and manner pursuant to clauses 18.2 and/or 18.3 and/or 18.4.

If the Contractor is a natural person who carries out the Performance in person, it is not obliged to have an established and maintained management system during the Contract term.

18.2 Quality Management System

In case of the Performance, which in accordance with the Contract belongs to **Quality Category 1**, the following provisions shall apply:

18.2.1. The Contractor shall be obliged to dispose of a functional quality management system, which conforms to the requirements of the international standard ISO 9001. In case of a Foreign Contractor, also a similar quality management system shall be accepted, which meets the specific requirements defined by the respective national body for nuclear safety supervision. The Contractor documents the functionality of the quality management system by a valid confirmation of audit execution of the quality management system by SE (pursuant to clause 18.5) or it shall ask SE for an audit. If a Contractor's quality management system has not been verified it must be audited with a successful result generally before the signing of the Contract. In urgent cases the audit can be performed later, but at latest up to one (1) month after the effective date of the Contract, resp. before the term of fulfilment of obligations leading from the Contract itself. Provided that the documents submitted during the tender by such a Contractor demonstrate its competence.

When the validity period of the audit of a verified Contractor's quality management system expires, a repeat audit shall be carried out depending on previous audit results, the scope of changes made by the Contractor within its quality management system and the Contractor's current IVR score (Index Vendor Rating) pursuant to Article XXV.

After the expiry of a three-year period of audit validity (on condition of annual favourable evaluation of the Performance by SE during the Contract term), the submission of confirmation of favourable assessment of the Contractor by the respective national body for nuclear safety supervision, by other nuclear installation operator or by an independent (that did not take part in the subject matter of Contract performance and that is not paid by the reviewed Contractor) entity on behalf



of them, or the execution of a review by SE after a mutual agreement with the Contractor in other way, with the prolongation of the audit validity by one to three years, can represent an accepted substitution of the successful audit performed by SE.

If the Contractor is a natural person who carries out the Performance in person, on the basis of proving its professional competence, it is not obliged to have an established and maintained management system during the Contract term. For such Contractor, a quality management system audit shall not be performed, but SE can verify the fulfilment of selected requirements of the standard ISO 9001, which cover the main activities of the Contractor and which guarantee the fulfilment of SE's requirements. The other applicable requirements of these provisions, except for clause 18.2.14 herein about carrying out internal audits, must be observed by the Contractor - natural person, in particular he/she must prove his/her professional competence and sufficient experience by references to past performances (also for other clients) and meet the requirements of the Plan of quality of classified equipment pursuant to the Regulation of the Nuclear Regulatory Authority of the Slovak Republic (hereinafter the "NRA SR") No. 431/2011 Coll. on quality management system as amended (hereinafter the "**Regulation on Quality Management System**"), or other document of equal value approved by the NRA SR, or of the Plan of quality according to the ISO 10005 standard.

If the Contractor is not the producer of the Performance subject matter, the provisions of this clause shall refer to the producer of the Performance subject matter and the Contractor undertakes to ensure that the producer of the Performance subject matter is bound to meet the requirements of this clause.

The Contractor shall be obliged within its quality management system:

- to develop and implement the requirements and principles defined in the Integrated policy of SE, a.s. published on the web site: <http://www.seas.sk/quality-and-integrated-management-system>, which are applicable to the subject of Performance,
- to determine the responsibilities and competences of personnel, their functional responsibilities and entitlements, including a description of the organizational structure, the impact of specific job function on nuclear safety, responsibility for quality assurance and managing of quality management system,
- to take into account the requirements of the graded approach (e.g. requirements for qualification and independence of staff performing inspections and tests, specific assembly processes, documenting certificates and attestations, etc.), if the subject of Performance has an impact on nuclear safety.

18.2.2. The Contractor shall be obliged to respect the specific requirements of the state supervision and state professional supervision and to reflect them into its own documentation of quality assurance.

18.2.3. The Contractor shall be obliged to apply the principles of clean assembly and testing of equipment in the phase of production (supplies), as well as during maintenance, to be sure that assembled equipment does not contain foreign materials or loose parts, which could be the cause of damage and malfunction of the equipment itself or could be the cause of the release of these parts in an uncontrolled way into other components of systems (pipes, exchangers, valves, pumps ...) in phase of equipment operation resulting in the malfunctioning or damage of the equipment itself or connected equipment, or preclusion of media flow, or loss of reactor cooling.

18.2.4. In cases where the execution of the Contract subject matter includes classified equipment, it must be provably qualified for the required functional competence and expected environmental effects for the design basis conditions including the seismic resistance by the respective method of qualification in accordance with Regulation on Quality Management System. The quality and properties of metallurgical products and welding filler materials used for classified equipment must be proved by the respective inspection document in accordance with the Regulation on Quality Management System, or other standard (e.g. ISO 10204).

18.2.5. If the subject matter of the Performance is classified equipment or if the subject matter of the Performance is connected with classified equipment, the Contractor shall be obliged to ensure the fulfilment of requirements of respective technical documentation, including the plan of quality of classified equipment according to the Regulation on Quality Management System or other document of the same value, approved by the NRA SR.

18.2.6. If the Performance is not connected with classified equipment but it can in other ways affect the nuclear safety of a nuclear installation, the Contractor shall be obliged to ensure the fulfilment of requirements of the respective technical documentation, including the plan of quality pursuant to the ISO 10005 standard, approved by SE.

18.2.7. In cases where the already completed plan of quality of classified equipment or other equivalent document (IPQA – individual programme of quality assurance) is related to the Performance, the Contractor shall be obliged to respect its requirements.

18.2.8. In cases relating to a revision or elaboration of a new plan of quality of classified equipment or a plan of quality according to ISO 10005, the Contractor shall be obliged to submit it for approval to SE within 30 days from concluding the Contract.

18.2.9. The execution of the Performance on classified equipment can be started only after the approval of the plan of quality of the classified equipment by the



- NRA SR. If the Performance is not connected with classified equipment, the execution of the Performance can be started only after the approval of the plan of quality pursuant to the standard ISO 10005 by SE.
- 18.2.10. If the subject matter of the Contract or part of it is the development of documentation, every developer of documentation for SE must, as a part of it, work out a list - the summary of the generally binding legal regulations used and the normative technical documentation used, including the safety guides issued by the NRA SR and harmonised standards valid in the EU.
- When performing documentation revision, the relevance of the original list must be assessed. Its potential revision must be approved by SE. If there is no such list attached to the existing document, it must be produced additionally by the Contractor during the document revision and approved by SE along with the revised document.
- 18.2.11. The Contractor shall be obliged to rate and select its Subcontractors for Performance execution according to their abilities to fulfil the requirements under the Contract with SE. The Contractor shall reflect the requirements from the Contract with SE into the contracts with its Subcontractors, including the requirement for the Subcontractor's quality management system and respecting of the plan of quality, which the Contractor is obliged to verify at least once during the Contract duration, however, at least once per three years. The Contractor shall ensure and verify the ability of its Subcontractors to fulfil the requirements under the Contract during the Contract duration.
- 18.2.12. The Contractor undertakes to keep the documents related to the activities affecting the quality of the Performance for the entire period of the contractual relationship so that it prevents their damage, loss or destruction. The documents that are not handed over to SE, shall be stored by the Contractor for a period of 10 years after the completion of the Performance under the Contract. Prior to destruction, it shall hand them over to SE.
- 18.2.13. The Contractor shall be obliged to allow inspectors of the state supervision and state professional supervision, professionally competent personnel of SE or professionally competent personnel of another organisation to perform an audit on its behalf, for the purpose of audit of the quality management system or a review of compliance with only selected requirements of the ISO 9001 standard, including the review of personnel, technical, material and organisational preconditions for the Performance execution and the audit of the observance of Contractor's quality plans in all premises and facilities of the Contractor and its Subcontractors. A breach of this duty by the Contractor shall be deemed a material breach of the Contract.
- 18.2.14. The Contractor is obliged to plan and perform the internal audits in accordance with the international standards ISO 9001 and ISO 19011 with the objective to verify whether the activities in the area of quality assurance and their results are in compliance with the planned requirements and is obliged to verify and evaluate the effectiveness of its quality management system. Internal audits shall be carried out by independent employees with the respective professional competence.
- This clause shall not be applied, if the Contractor is a natural person, who carries out the Performance in person, on the basis of proving its professional competence, and it is not obliged to have an established and maintained management system during the Contract term.
- 18.2.15. If the subject of Performance has an impact on nuclear safety, the inspections and tests at the Contractor, through which the Contractor proves the compliance of the Performance with the requirements, must be carried out by independent professionally competent persons, i.e. other than those, who were executing or directly managing the contractual performances, which are subject to the inspections and tests.
- 18.2.16. The Contractor shall be obliged to provide SE with the copies of all reports on the nuclear safety related nonconformities or nonconforming products found during the execution of the Performance, specifying whether it decided to eliminate the nonconformity or nonconforming product by repair or it decided to leave the nonconformity or nonconforming product with an exception. These reports must contain the technical reasoning of the nonconformity or nonconforming product settlement. If classified equipment is the subject of Performance, the Contractor is required, within the process of continuous improvement, to use feedback from similar performances executed by him in nuclear power plants.
- In case of the Performance, which in accordance with the Contract belongs to **Quality Category 2**, the following provisions shall apply:
- 18.2.17. The Contractor shall be obliged to dispose of a functional quality management system, which conforms to the requirements of the standard ISO 9001, which it shall prove to SE on demand in a proper way (by submitting a certificate issued by an independent authority, a description of management system, e.g. in System Management Guideline etc.).
- 18.2.18. If the Contractor is a natural person who carries out the Performance in person, on the basis of proving its professional competence, it is not obliged to have an established and maintained management system during the Contract term but it shall prove the personnel, technical, material and organisational preconditions for the Performance execution.
- If the Contractor is not the producer of the Performance subject matter, the provisions of this clause shall refer to the producer of the Performance subject matter and the Contractor undertakes to ensure that the producer of the Performance subject matter is bound to meet the requirements of this clause.



18.2.19. The Contractor shall be obliged to respect the specific requirements of the state professional supervision and to reflect them in its own quality assurance documentation (documented information) of management system in accordance with the ISO 9001 standard or by elaborating them in the plan of quality according to the ISO 10005 standard. The Contractor shall hand over the quality plan to SE within 30 days after the signing of the Contract.

18.2.20. The Contractor shall be obliged to rate and select its Subcontractors according to their abilities to fulfil the requirements under the Contract with SE. The Contractor shall reflect the requirements under the Contract with SE in the contracts with its Subcontractors, including the requirement for the Subcontractor's quality management system and for the application of the quality plan requirements. The Contractor shall ensure and verify the ability of its Subcontractors to fulfil the requirements under the Contract during the Contract duration.

18.2.21. The Contractor undertakes to keep the documents related to the activities affecting quality for the entire period of the contractual relationship so that it prevents their damage, loss or destruction. The documents that are not handed over to SE, shall be stored for a period of five years after the completion of the Performance under the Contract. Prior to destruction, it shall hand them over to SE.

18.2.22. The Contractor shall be obliged to allow inspectors of the state supervision and state professional supervision, professionally competent personnel of SE or professionally competent personnel of other organisation to perform audit on its behalf, for the purpose of checks and review of quality and related documentation during Performance execution, audit of the quality management system or a review of compliance with only selected requirements of the ISO 9001 standard, including the review of personnel, technical, material and organisational preconditions for the Performance execution and the audit of the observance of Contractor's quality plans in all premises and facilities of the Contractor and its Subcontractors.

18.3 Health & safety management system

This clause applies to the Contractor in the event that the requirements for the Contractor or a part of the Contractor's qualification contained a request for a health & safety management system that functionally covers the principles and requirements in compliance with the ISO 45001 (OHSAS 18001) or equivalent standard/guideline.

Depending on the nature of the Performance and related activities, the Contractor is obliged to have a functional health & safety management system in place corresponding to the ISO 45001 (OHSAS 18001) requirements or equivalent standard/guideline, which shall be demonstrated on the SE request during the effective period of the Contract by:

a) valid confirmation of audit execution of its health and safety management system by SE (pursuant to clause 18.5) or it shall ask SE for an audit, or

b) valid certificate issued by an accredited certification company, or

c) documented description of its health & safety management system in place.

18.4 Environmental management system

This clause applies to the Contractor in case the requirements for the Contractor or a part of the Contractor's qualification contained a request for functional environmental management system according to ISO 14001 or equivalent standard/guideline.

Depending on the nature of the Performance and related activities, the Contractor is obliged to have a functional environmental management system corresponding to the ISO 14001 requirements or equivalent standard/guideline, which shall be demonstrated on the SE request during the effective period of the Contract by:

a) valid confirmation of audit execution of its environmental management system by SE (pursuant to clause 18.5) or it shall ask SE for an audit, or

b) valid certificate issued by an accredited certification company, or

c) documented description of its environmental management system.

18.5 Management systems audits

SE shall be entitled to carry out the management systems audits pursuant to the clauses 18.2 and/or 18.3 and/or 18.4 herein at the Contractor during the Contract term.

In such case, the Contractor is obliged to enable to carry out the management systems audits to the technically competent SE staff or technically competent staff of another organization on behalf of SE.

18.6 If the Contractor is a natural person performing the subject matter of the Contract in person, he/she shall not be obliged to have the management system during the Contract performance.

XIX. LABOUR LAW, OHS AND FP

Provisions of this article shall apply only in case the Contractor enters the SE's premises.

19.1 Contractor's obligations regarding OHS and FP

19.1.1 Prohibition of smoking

In all working areas of SE, smoking is generally forbidden. Smoking is allowed only in the marked areas (smoking areas) provided for this purpose.

The Contractor agrees to comply with this regulation. The Contractor also undertakes to inform the personnel engaged in the execution of the Contract in the premises of SE about the prohibition of smoking during the execution of the Performance under the Contract.

19.1.2 For the entire duration of the Contract, the Contractor is obliged to:

a) identify among its personnel sufficient number of persons which will be responsible for supervising the work activity and will ensure the



<p>implementation of directives received and check the correct execution by personnel (hereinafter referred to as Head of Works) and their presence at the SE workplaces in accordance with the requirements of SE and of the technical specification;</p>	
<p>b) ensure properly trained and informed personnel in relation to the work to be performed, dangers and threats, preventive and protective measures to be adopted;</p>	
<p>c) ensure staff with required qualification and health capacity in relation to the activities to be carried out, required by valid and generally binding legal acts and SE internal rules;</p>	
<p>d) provide the services and perform activities in full compliance with the Contract, as well as comply with all provisions of applicable law, regulations and technical standards required by the relevant authorities, in force during the execution, as well as all other regulations that could affect the Contract; the Contractor directly assumes all its obligations and costs;</p>	<p>19.1.4 When preparing and performing the subject matter of the Contract, the Contractor undertakes to comply with any and all regulations and requirements in order to ensure OHS and FP, set out in legal regulations and technical standards valid in the territory of the SR and to comply with the agreed work procedures and technological discipline. The Contractor is obliged to determine and is liable for implementation of safe working and technological procedures, organization of contractual performances, fixing of planned works schedule and in case of change of conditions that may have an impact on the works schedule, update it, identification and spatial delimitation of the workplace, for safe condition of workplaces, premises, communications and social spaces taken over from SE in writing.</p>
<p>e) use regularly employed personnel in accordance with current legislation, paying the remuneration due to its employees and paying all taxes, insurance, pension and social security contributions provided for by the law and applicable in accordance with collective bargaining agreements;</p>	<p>19.1.5 The Contractor shall be held responsible for the safe condition of the utilized mechanisms, machinery, devices, tools, equipment, materials. The Contractor is obliged to operate and to keep these facilities in such technical condition and to behave in the SE's premises so as to prevent losses. In the event of finding deficiencies at the Contractor's technical facilities, SE shall be entitled to suspend operation thereof or to order removal thereof from their premises. Any delay in Performance shall not be deemed a delay caused by SE.</p>
<p>f) permit SE and/or third parties appointed by SE to carry out the checks provided for in the Contract and/or the applicable legislation, to identify the professional competence and health capacity of the Contractor's personnel in relation to the type of work;</p>	<p>19.1.6 When carrying out activities associated with increased fire risk, the Contractor is obliged to establish the fire assistance patrol at its own cost and to equip the workers carrying out the aforementioned activity with an orange warning waistcoat with inscription "Fire Assistance Patrol" in conformity with the standard EN ISO 14116 or EN ISO 11612.</p>
<p>g) in case of fatal or severe accidents and, regardless of the prognosis, in case of electrical accidents or accidents due to fall from heights, occurred during execution of activities under the Contract, immediately notify of the accident and transmit the investigation report to SE within 10 calendar days after the accident;</p>	<p>19.1.7 The Contractor is obliged to ensure that the Contractor's personnel will use only those entrances and exits, which are designated for them for this purpose, will remain within the workplace connected with execution of the contractual Performance and will keep the workplace and other utilized SE's premises clean and tidy during the whole execution of the Performance. Upon completion of the contractual Performance, the Contractor is obliged to hand the SE's workplace over in clean and flawless condition.</p>
<p>h) notify by the 10-th of each month, the number of hours worked (ordinary and extraordinary) pursuant to the Contract in the previous month, specifying separately the hours worked by freelancers, if any (unless a Logbook is kept).</p>	
<p>19.1.3 Prior to entering the SE's premises, which shall mean a place of piece of work construction, performing works, construction site, place of performing repairs, place of maintenance, repairs and alteration of thing, providing services under the Contract or other written request of SE which is taken over from SE by the Contractor based on the protocol in a form of minutes, the Contractor shall take over the workplace from SE (Contract Manager on behalf of SE in cooperation with the object administrator), recording the OHS and FP status in the Logbook or in a separate Record on hand</p>	<p>19.1.8 The Contractor is responsible for professional and medical capability and sufficient training in OHS and FP of its personnel, including also freelancers and the personnel of subcontractors; is obliged to conduct and manage the Performance so as to prevent injury of the SE personnel, own personnel as well as third party personnel and to prevent damage to property and environment. The Contractor is obliged to ensure that the Contractor's personnel will not execute the</p>



- Performance under the influence of alcohol or narcotics and psychotropic substances, will not remain on SE's premises under the influence of alcohol or narcotics and psychotropic substances as well as will not use alcohol or narcotics and psychotropic substances at the workplace.
- 19.1.9 The Contractor shall equip its personnel with necessary personal protective equipment (hereinafter referred to as "PPE") and ensure utilization thereof. The Contractor shall ensure labelling of working clothes of its personnel with the Contractor's or Subcontractor's name, so that the identification is clear and permanent.
- 19.1.10 The Contractor shall ensure the performance of safety coordination representative and documentation coordination representative by sufficient number of professionally competent persons in required scope in accordance with the requirements indicated in the technical specification during the execution of the Contract, pursuant to the Regulation of the Government of the SR No. 396/2006 Coll. on the minimum safety and health requirements for construction sites as amended. This obligation applies also in the case of activities ensured by means of self-employed individuals.
- The Contractor shall ensure the performance of authorised safety technician by sufficient number of professionally competent persons and in required scope in accordance with the requirements indicated in the technical specification, during the execution of the Contract.
- The Contractor is obliged to ensure the workplaces taken over by protocol have safety and health signage conforming to the Regulation of the Government of the SR No. 387/2006 Coll. on the requirements for ensuring safety and health signs at work as amended and the Regulation of the Government of the SR No. 396/2006 Coll. on the minimum safety and health requirements for construction sites as amended and SE internal rules.
- 19.1.11 The Contractor shall ensure sufficient number of first aid kits during the execution of its activities at its workplaces in the premises of SE and ensure a sufficient number (at minimum, though, 10%) of professional persons trained for providing first aid.
- 19.1.12 The Contractor is obliged to fulfil the obligations connected with occurrence of extraordinary events (accidents, fire, emergencies, near miss, first aid, etc.) in relation to the competent public authorities and to report to them, as well as to SE, the occurrence of all events immediately (within 30 minutes) for the purposes of objective investigation and the adoption of preventive measures. The Contractor is obliged to notify SE of any injury occurring during execution of activities under the Contract, whatever the accident's outcome, and subsequently to provide SE with information including a detailed description of the event. The Contractor is obliged to investigate these accidents, and provide the results of the investigation to SE, together with measures adopted on the side of the Contractor, and this no later than 10 days from the accident occurring.
- 19.1.13 In the event of an accident, if the affected worker could not be tested for alcohol, the Contractor is obliged to carry out such test at the earliest opportunity (breath test, blood test for the purpose of ascertaining the presence of alcohol). A record of the test shall be immediately submitted to SE.
- 19.1.14 In case of fire and its subsequent extinguishing by the fire units using their fire extinguishers, if the fire started by the Contractor's fault, the Contractor undertakes to pay the costs connected with the extinguishing of the fire.
- 19.1.15 The Contractor is obliged to label all containers holding flammable substances, heavy heating oils, vegetable and animal fats and oils in accordance with the Decree of the Ministry of Interior of the SR No. 96/2004 Coll., regulating the principles of fire safety in handling and storage of flammable liquids, heavy heating oils and of vegetable and animal fats and oils as amended and the containers with flammable gases and combustion supporting gases pursuant to the Decree of the Ministry of Interior of the SR No. 124/2000 Coll. regulating the principles of fire safety in operations with flammable gases and combustion supporting gases as amended found in the Contractor's workplace.
- 19.1.16 The Contractor is obliged, according to the character of contractual performances, to process and submit to SE technological procedures, safe working procedures, OHS plan, works schedule and document on risk analysis for the working activities performed.
- 19.1.17 The Contractor is obliged to inform SE in advance on any changes in the technology of the Performance execution and on changes in the documentation referred to in the previous clause and in the clause 9.4.5 herein.
- 19.1.18 The Contractor is obliged not to use any materials and articles containing asbestos in the course of works under this Contract. If asbestos is found in the assigned work area or if there are grounds to suspect its presence, the Contractor shall be obliged to stop work and notify the competent supervisor, so as to ensure proper management of the situation. All subsequent activities relating to the situation shall be carried out in accordance with the Regulation of the Government of the SR No. 253/2006 Coll. on employees' protection against risks related to asbestos exposition at work as amended.
- 19.1.19 **Additional provisions referring to the SE plants**
- The Contractor is obliged to ensure that its personnel remain only in the designated workplace and related premises.
- The Contractor shall equip its personnel with necessary PPE and provide for utilization thereof. The minimum equipment of the personnel with PPE contains (i) protective helmet with fixing strap pursuant to EN 397, (ii) protective glasses pursuant to EN 166, EN 170, (iii) safety shoes pursuant to STN EN ISO 20345 in version

at least S3, or S1P and (iv) working clothes (on external construction site equipped with reflex components, or also a reflex waistcoat), in technological areas in antistatic version complying with the requirements of EN 1149-5. If it is necessary to comply with requirements for other prescribed PPE in order to perform the working activities, the Contractor shall provide for assignment and utilization thereof beyond the minimum requirements of SE. The obligation to use the minimum PPE applies for technological areas and construction sites of SE. Protective glasses for the personnel working in the controlled area of nuclear plant shall be provided by SE. The Contractor is obliged to equip workers carrying out the activity of "load binder" with an orange warning waistcoat with inscription "Load Binder" and with sleeve for helmet with inscription "Load Binder".

If necessary, SE shall provide for calling the emergency services to the personnel affected by an accident.

Unless agreed otherwise in the Contract, the Contractor shall ensure, at its own cost, safety and fire protection measures in activities containing increased danger of fire in the places with fire or explosion risk, performed by the Contractor. The Contractor is obliged to inform SE of these activities in sufficient time advance.

XX. INSURANCE

20.1 Contractor's insurance contract shall be valid for the entire duration of the Contract, concluded in the scope and with the limit that sufficiently covers all damage that the Contractor may cause by its activity. In the case that the Contractor provides warranty on the Performance, the insurance contract shall be valid in the above range during the warranty period too.

20.2 In the event the Contract subject matter is to execute the Performance related to SE's assets and in order to meet this purpose the Contractor takes over and relocates SE's assets outside the SE's premises, the Contractor must have a liability-for-damage insurance policy able to cover the new value of the relocated assets belonging to SE.

Assets may be relocated only with the consent of SE in writing, given either in the form of an entry in a Logbook signed by the SE's Contract Manager or a record on takeover or in the form of any other record on handover and takeover of SE's assets for the purpose of relocation outside SE's premises.

XXI. INDUSTRIAL AND INTELLECTUAL PROPERTY

21.1 The Parties take note that, under Section 558 et seq. Commercial Code, if the subject of Performance is a result of activity that is protected by law of industrial or intellectual property (hereinafter referred to as the "author's work"), SE are entitled to use it for the purposes resulting from the Contract in the manners necessary for the proper use of the Performance, in particular for the use according to Section 19 of Act No. 185/2015 Coll. the Copyright Act as amended (hereinafter referred to as the "Copyright Act"), for the duration of property rights of the author under Section 32 of the Copyright Act. The remuneration for the use of author's work pursuant to this clause is included in the Price.

Purposes arising from the Contract and under the preceding

point, inter alia, shall be understood to mean also the following manner of using the copyright work: (i) processing of the copyright work for the purposes of future repairs, maintenance, reconstructions, changes or enhancements to SE assets, (ii) the provision of the copyright work for processing to SE contractual partners for the purpose of maintaining the value of SE assets, which includes not just maintenance, but also maintaining the functionality, as well as adding new functions and improvements.

If a result of the performance of the Contract is the supply of project documentation, studies, diagrams or other documentation (hereinafter referred to simply as "Documentation"), the Contractor hereby grants consent to the use of the respective Documentation, and this (i) for all manners of use of the copyright work that are known at the time of concluding the Contract (including processing or provision of the copyright work for processing to an SE contractual partner), (ii) for an unlimited territorial and substantive scope, (i ii) for the duration of property rights to the copyright work, and (iv) SE shall have the right to transfer the licence agreement to a number person or to grant a third party a sublicense the need for additional consent from the Contractor .

The Parties have agreed that if the copyright work is to be used also in a manner other than that set out above, the Contractor undertakes to promptly, within five days of a demand from the side of SE, conclude with SE a Contract, the subject matter of which will be:

(i) assignment of the exercise of all copyright work ownership rights to SE; or in the case that it is not possible to conclude such Contract,

(ii) granting consent to SE for the exercise of ownership rights forming the copyright to the copyright work, and on the basis of which the Contractor shall grant to SE an **exclusive licence** in unlimited scope, and the provision of prior consent to SE for granting licences during the life of the copyright author's ownership rights pursuant to § 32 of the Copyright Act, on the basis of which SE will be able to use the copyright work, in particular, in the manner referred to in § 19(4) of the Copyright act.

If, pursuant to § 87 of the Copyright act (a computer program), arises under the contract, the Contractor undertakes to assign to SE the exercise of ownership rights to such computer program. Where applicable, the Contractor also undertakes that, concurrently with the handover of performance under the Contract, it shall hand over to SE also the source code and respective documentation necessary for using them. The failure to hand over source codes or the handover of documentation that is incomplete or difficult to understand, shall be considered a defect of performance.

21.2 Remuneration for granting a licence as well as the assignment of the exercise of all copyright work ownership rights under 21.1 is included in the Price.

21.3 If during the execution of the Performance the Contractor creates the work meeting the definition of

a) a patentable invention in compliance with respective provisions of the Act No. 435/2001 Coll. on Patents and Supplementary Protection Certificates and on the amendments and supplements to certain acts (**the Patents Act**) as amended and requests for awarding a patent for the

work, or

- b) a technical solution protected by an utility model in compliance with respective provisions of the Act No. 517/2007 Coll. on Utility Models and on the amendments and supplements to certain acts as amended and requests for protection of the work by an utility model, or
- c) design in compliance with respective provisions of the Act No. 444/2002 Coll. on Design as amended and requests for registration of the work as design, or
- d) other subject matter of industrial property

(hereinafter jointly referred to as "**Subject matter of Industrial Property**"),

the Contractor as the provider undertakes to conclude a licence agreement with SE as the licensee without undue delay but no later than **within 15 days** from acquisition of the right to the Subject matter of Industrial Property in compliance with Section 508 et seq. of the Commercial Code, the subject of which is the granting of consent to use the work protected as the Subject matter of Industrial Property (hereinafter referred to as "**Licence**"). The Contractor undertakes to grant an exclusive and territorially unlimited Licence to SE for its performance in the extent of the entire activity of SE, for the duration of validity of the right to the Subject matter of Industrial Property. The remuneration for granting the Licence according to this clause is included in the Price.

- 21.4 The Contractor undertakes to settle all legal relations with third parties that created or supplied the Performance content, namely by concluding relevant copyright and other contracts so that such parties cannot make any claims resulting from the moral, copyright, industrial rights, rights related to the copyright or other similar rights related to the due performance of the Contractor's obligations to SE resulting from the Contract. In the event of the cancellation of a Contractor without a legal successor, the Contractor shall, before its cancellation, provide SE with source data related to the created work or to Subject matter of Industrial Property.

XXII. CONFIDENTIALITY OF INFORMATION AND CYBER SECURITY

- 22.1 The Contractor undertakes to treat any data, information or documents received in relation to the selection procedure, conclusion and/or performance of the Contract as information being confidential in nature (while information of confidential nature include a trade secret, personal data, confidential information of financial nature, sensitive information pursuant to § 3 (16) and (17) of Act No. 541/2004 Coll. on the Peaceful use of nuclear energy (Atomic Act) and on the amendments and supplements to certain acts as amended, sensitive information about critical infrastructure etc.), which cannot be disclosed to third parties or used contrary to the purpose thereof for its needs without SE's prior written consent. Unless agreed otherwise in the Contract, the Contractor undertakes to keep secret information of a confidential nature even after the expiry of the Contract. The limitations stated in this clause shall not apply to the disclosure of information of a confidential nature to dependent persons of SE according to the Act on income tax, i.e. to persons close economically, personally or otherwise connected with SE (hereinafter referred to as "**SE's interrelated company**") and the Party's consultants (e.g. auditors,

attorneys) provided that SE's interrelated company and the aforesaid consultants are bound by a non-disclosure duty of at least the same extent as set forth in this clause. The Parties shall also note that providing information of a confidential nature upon the request of a public authority or another governmental body, and the case of imposing such provision of information of a confidential nature by a generally binding legal regulation shall not be considered a breach of the provisions of this clause.

In the event of leakage of information of a confidential nature or trade secret for reasons for which the Contractor is liable or if the Contractor breaches obligation of this clause, SE may claim from the Contractor the contractual penalty pursuant to clause 15.8 herein.

- 22.2 Unless otherwise agreed in the Contract, the Contractor shall not be entitled to present SE as its trading partner or use SE trade name or logo in promoting itself or its activity or in statements for the media in any form whatsoever without prior written consent. If the Contractor breaches the obligation laid down in this clause, SE may claim from the Contractor the contractual penalty pursuant to clause 15.8 herein.
- 22.3 The Contractor takes note that pursuant to Act No. 69/2018 Coll. on cyber security and on the amendments and supplements to certain acts as amended (hereinafter referred to as "**Act on CS**") SE is an operator of basic services pursuant to Section 3 (l) (k) of the Act on CS.
- 22.4 In the event that SE deliver in a provable way the security standards and/or security politics in the field of cyber security of SE to the Contractor, the Contractor is obliged to observe them and hereby to ensure their observing by the Contractor's personnel.
- 22.5 In the event that the performance subject matter is the performance of activities directly related to the networks operation and information systems for SE and/or providing the electronic communication services or networks pursuant to Section 5 (1) of the Act No. 351/2011 Coll. on electronic communication as amended by the Act No. 247/2015 Coll., rights and duties of the Parties in the field of cyber security will be further regulated in a separate contract on ensuring the performance of the security measures and notification obligations. In case of the performance subject matter under the previous sentence, the Contractor is obliged to conclude the contract on ensuring the performance of security measures and notification obligations with SE anytime on SE's demand and without any delay pursuant to Act on CS and related generally binding legal acts.

XXIII. PERSONAL DATA PROTECTION

- 23.1 The Contractor undertakes to maintain confidentiality on personal data that the Contractor comes into contact with during the Performance according to the Contract, and to ensure their processing and protection in accordance with the requirements of the law. The confidentiality obligation under the previous sentence shall continue to apply also following the termination of the Contract.
- 23.2 The Contractor is required to bind to maintaining personal data confidentiality any and all individuals who come into contact with personal data at the Contractor's premises. The confidentiality obligation under the previous sentence shall continue to exist following the termination of the employment relationship or



similar relationship of such individual.

- 23.3 Where the Contractor is to process personal data on behalf of SE, the Contractor shall be required, prior to the start of processing the personal data on behalf of SE and/or at the latest promptly following a demand by SE, to conclude a separate data processing contract with SE pursuant to Regulation of the European Parliament and of the Council (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) as amended, resp. pursuant to Act no. 18/2018 Coll. on the protection of personal data and on the amendments and supplements to certain acts as amended (the processor contract).

XXIV. ENVIRONMENTAL PROTECTION

- 24.1 In preparation and implementation of the subject matter of the Contract, the Contractor undertakes to comply with any and all environmental protection regulations set out in legal regulations and technical standards valid in the territory of the SR.
- 24.2 The Contractor is obliged to operate and maintain the utilized mechanisms, machinery, devices, tools, equipment and materials, as well as the warehouses and workshops in such technical conditions and to conduct on the SE premises so as to prevent damage to the environment.
- 24.3 The Contractor is obliged to respect an order to suspend the performance of Contract issued by the SE's Contract Manager due to a danger to environment, until further notice. The SE's Contract Manager issuing such order is obliged to make an entry in the Logbook thereon. If the SE's Contract Manager issues an order to suspend the performance of Contract due to reasons on the Contractor's part, any resulting delay in the Performance shall not be considered as delay caused by SE.
- 24.4 The Contractor is obliged to fulfil obligations related to occurrence of extraordinary events with effect on the environment, in relation to the competent public authorities and to immediately report such event also to SE for the purpose of objective investigation and adoption of preventive measures.
- 24.5 In case of occurrence of threat to the environment on the Contractor's part, the Contractor is obliged to eliminate the cause and consequences as well as to pay the any applicable financial compensation for damages.
- 24.6 **Handling Chemical Substances and Chemical Mixtures**

- 24.6.1 The Contractor is obliged to handle the CS and CM in accordance with the Chemicals Act No. 128/2015 Coll. on Prevention of Major Industrial Accidents on the amendments and supplements to certain acts as amended, Regulation (EC) No. 1907/2006 of the European Parliament and of the Council concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) and establishing the European Chemicals Agency, amending Directive 1999/45/EC and repealing of Council Regulation (EEC) No. 793/93 and Commission Regulation (EC) No. 1488/94, Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC a 2000/21/EC as amended and Regulation (EC) No. 1272/2008 of the European Parliament and of the Council EC) on Classification, Labelling and Packaging of substances and compounds and establishing the European Chemicals Agency, amending Directive 1999/45/EC

and repealing Council Regulation (EEC) No. 793/93 and Commission Regulation (EC) No. 1488/94, Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC a 2000/21/EC (CLP).

24.6.2

- (i) Sufficiently in advance before starting the performance of the subject matter of the Contract (min. 14 days before the start of Performance), the Contractor is obliged to submit to the SE's Contract Manager the list of CS and CM to be used in its activity on the SE premises under this Contract. Along with the used CS and CM, the Contractor is obliged to submit the Safety Data Sheet ("**SDS**"), the presence of which must also be ensured at the Contractor's workplace and to indicate on request the pre-registration or registration numbers of CS and CM in compliance with the REACH regulation. The SDS must be in the Slovak language. At SE's request, the Contractor is also obliged to submit the technical certificate of the CS and CM, user manual and technological process for working with the respective CS and CM.
- (ii) The Contractor may only use the CS and CM found in the list of CS and CM approved to be used in SE. The list of CS and CM approved to be used in SE shall be provided on request to the Contractor by the SE's Contract Manager. The Contractor is entitled to ask for approval and addition of the used CS and CM in the aforementioned list only through the SE's technical supervisor or the SE's Contract Manager, who shall further follow the internal managing regulation for management of chemicals. For this purpose, the Contractor is obliged, in addition to the SDS, to provide SE also with further additional data in order to document the selected critical CS and CM parameters.
- (iii) SE is entitled not to approve utilization of the Contractor's CS and CM, if there is a suitable equivalent or if there is a risk of environmental danger in usage or problems may occur in liquidation thereof.
- (iv) The packages of all CS and CM used by the Contractor must be marked with a label pursuant to clause 9.3.3 in the Slovak language in compliance with valid legislation.
- (v) Should the Contractor use CS and CM other than agreed or the packaging thereof does not contain a label pursuant to clause 9.3.3, SE are entitled to suspend or completely stop the Contractor's contractual performance.
- (vi) The Contractor is obliged to provide information about the amounts of the CS and CM stored with prescribed periodicity (min. 1x on a monthly basis), in the form set out by SE.

- 24.6.3 In connection with the Performance execution, the Contractor is obliged to enable the qualified SE personnel (Environment Department) to inspect the



handling of CS and CM in order to verify correctness of the procedures used.

24.7 Waste Management

24.7.1 The Contractor is obliged and undertakes to manage the waste in compliance with the applicable Act on Wastes, especially:

- (i) To prevent or reduce adverse impact of the waste production and waste management within the waste hierarchy;
- (ii) In the performance of contracting activity related to waste generation, to follow the instructions of the competent SE technical supervisor in compliance with the internal regulations applicable for wastes in the respective SE plant;
- (iii) To collect waste sorted out according to the waste types in designated containers and secure it against degradation, theft or other undesired leakage, whereas the locations for waste collection shall be assigned to the Contractor by SE (competent SE technical supervisor);
- (iv) To collect the hazardous waste separately by types, to label them as prescribed (name of waste, graphic symbol of hazardous properties and waste identification sheet), to manage the waste in compliance with Waste Act and related legislation, to protect the place of collection of hazardous waste against leakage of pollutants into the soil, water and air;

24.7.2 In relation to the Performance, to enable the qualified SE personnel (SE Environment Department and SE Technical Supervision) to inspect the waste disposal in order to check the procedures used.

24.8 Handling of hazardous substances, substances depleting the Earth's ozone layer and fluorinated greenhouse gases

24.8.1 In its activity, the Contractor is obliged to handle the hazardous substances (oil substances, chemicals, etc.) in accordance with the Act No. 364/2004 Coll. on Waters and on the amendment of the Act of Slovak National Council No. 372/1990 Coll. on offences as amended (the Water Act), so as to prevent endangering and polluting waters, to prevent extraordinary deterioration or endangering of water quality and in cases when the Contractor's activity causes pollution of the surface or underground waters, to report this situation to SE without undue delay and to perform measures necessary to prevent further deterioration of the water quality.

24.8.2 In its activities, the Contractor is obliged to handle

- (i) The substances depleting the ozone layer in compliance with the Act No. 321/2012 Coll. on Earth's ozone layer protection and amending certain laws as amended, and the Regulation (EC) No. 1005/2009 of the European Parliament and of the Council on Substances that Deplete the Ozone Layer as amended,
- (ii) The fluorinated greenhouse gases in compliance

with the Act No. 286/2009 Coll. On fluorinated greenhouse gases and amending certain laws as amended.

24.8.3 Organic solvents may be used by the Contractor only in compliance with requirements of the Decree of the Ministry of Environment of the SR No. 410/2012 Coll., executing some of the provisions of the Act on Air as amended,

24.8.4 In case of transporting the SE's assets containing hazardous substances, which is subject to Performance, the Contractor undertakes to comply with the provisions of the European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR) (Decree of the Ministry of Foreign Affairs No. 64/1987 Coll.) as amended and the Act No. 56/2012 Coll. on Road Transport as amended.

24.8.5 The Contractor is obliged to store hazardous substances in the premises designated for such purpose by SE, or in its own premises, created for such purpose, as a part of the construction site premises, with prior consent from SE.

XXV. VENDOR RATING

25.1 The Contractor takes note that he may be rated by SE from the signature date of the Contract.

25.2 The rules relating to the evaluation of Contractors are published on the web site: <https://procurement.seas.sk/procurement>.

XXVI. LIST OF SE SUPPLIERS

26.1 The Contractor takes note that upon the Contract signing they will be included in the internal list of SE suppliers (hereinafter referred to as the "**List of SE suppliers**").

26.2 The Contractor may be suspended from the List of SE suppliers or excluded from the List of SE suppliers and included in the list of SE excluded suppliers (hereinafter referred to as "**List of SE excluded suppliers**").

26.3 The rules governing the suspension and exclusion of a Contractor from the List of SE suppliers and its inclusion in the List of SE excluded suppliers are published on the web site: <https://procurement.seas.sk/procurement>.

XXVII. RULES OF ETHICAL CONDUCT

27.1 The Contractor is aware of the fact that the business activities and internal activities of SE follow and are subject to principles stipulated in the SE, a. s. Code of Ethics and in the Zero Tolerance of Corruption Plan, wording of which is published on the web site: <http://www.seas.sk/code-of-ethics> (hereinafter referred to as the "**Principles**"). The Contractor shall apply equivalent Principles in conducting its business activities and in the management of its relationships with third parties.

XXVIII. APPLICABLE LEGAL REGULATIONS

28.1 The Contract and relations resulting from the Contract or related to the Contract were concluded in compliance with the provisions of the Commercial Code and other generally binding legal regulations applicable in the Slovak Republic with exclusion of application of the UN Convention on International Purchase of Goods. Unless otherwise provided for by the Contract, the mutual relationships of the Parties arising from the Contract and not



explicitly regulated therein shall be governed by the relevant provisions of the Commercial Code and by other generally binding legal regulations of the Slovak law.

XXIX. DISPUTES

29.1 The Contractor hereby declares that, as of the date of entering the Contract, it is not a party to any litigation or arbitration proceedings against SE.

29.2 All disputes arising from the Contract, including the disputes concerning its validity, interpretation or cancellation, or disputes about extra-contractual claims (hereinafter referred to as the "**disputes from the Contract**") shall be submitted to the decision of the respective court in accordance with the provisions of the Act No. 160/2015 Z.z. Civil Procedure Code as amended.



INDICATIVE LIST OF SEVERE, VERY SEVERE AND EXTREMELY SEVERE BREACHES OF OCCUPATIONAL SAFETY

Category	Breach	Severity
Accidents and events reporting	Failure to notify to SE (within 3 hours from the event) accident with result of death or grievous bodily harm, or any injuries relating to electrical accidents or accidents due to fall from heights, or to the depth regardless of prognosis.	III.
	Failure to notify SE (within 3 hours from the event) registered accidents or recorded accidents.	II.
	Failure to notify SE without any delay (at latest within 30 minutes) of the inception of accident or dangerous event.	I.
General provisions	Failure to participate at coordination meetings (if mandatory according to OHS regulations or SE procedures).	I.
	Failure to appoint/identify the Head of Works.	II.
	Failure to appoint or to perform the activity of the safety coordination representative / documentation coordination representative, authorised safety technician in accordance with the requirements of SE.	II.
	Insufficient or missing control or supervision of the performed work.	II.
	Failure to perform "Pre-Job check" (if applicable).	II.
	Consumption of alcohol, narcotic and/or psychotropic substances at the workplace.	III.
	Employment or using of personnel not notified to SE or not approved by SE.	III.
	Employment or using of personnel without professional profiles / qualification / training requested to perform the activities or without required health capacity in compliance with OHS and FP regulations and SE rules and requirements (such as works on electrical installations, works in confined space, works at height, underwater works).	III.
	Start of activities before obtaining authorization from SE.	III.
	Use of special vehicles/machineries/equipment not in compliance with applicable regulations and technical standards.	II.
	Use of special vehicles/machineries/equipment not previously declared to SE (e.g. loads hoisting/lifting equipment, bucket truck).	II.
	Unauthorized use of special vehicles/machineries/equipment owned by SE.	II.
	Lack of relevant documentation to certify controls/tests on contractor's special vehicles/machineries/equipment, used during works for SE, according to OHS regulations.	II.
	Failure to respect regulations relevant to Code of traffic.	II.
	Utilization of tools, equipment, machines and chemical substances, the usage of which has not been approved by SE or is not compliant with the technical standards and legislative requirements.	II.
	Manipulation with scaffolds / temporary structures / protective measures belonging to SE or other contractors.	III.
	Failure to use temporary equipment and fencing on construction site and insufficient maintenance thereof.	I.
	Lack of contractors' procedures related to safety relevant activities to be executed (e.g. missing of safe work procedures, technological procedures).	II.
Insufficient or missing documentation necessary for inspections in OHS and FP areas which is determined by SE or by legislation.	I.	



	Failure to comply and follow SE emergency plans and procedures	II.
	Failure to use PPE or the use of PPE non-compliant with OHS standards or damaged (e.g. CE conformity marking relevant to European Community).	I.
	Failure to sign workplace or to adopt adequate barriers to fence/enclosure the area whenever necessary.	II.
	Deficiencies in arrangements for work at the open reactor or other open technology and in foreign material exclusion (FME).	I.
	Presence of a person under the influence of alcohol or other narcotics and/or psychotropic substances at the workplace in the premises of SE or at the workplace outside the premises of SE and bringing such substances to the SE premises or to the workplace outside SE premises.	III.
	Failure to respect the safety and health labelling, instructions and prohibitions.	I.
	Missing/incorrect/incomplete safety signs.	I.
	Utilization of working equipment, the technical condition or version whereof does not comply with the safety regulations.	II.
	Inadequate housekeeping / materials storage in construction/workplace of maintenance sites and power plant.	I.
	Failure to keep order and cleanness in the construction/workplace and other premises of SE that are utilized.	I.
	Lack of adequate measures concerning emergency management.	II.
Electrical risks	In case of live working, failure to apply / incorrect application / incomplete application of relevant OHS procedures.	III.
	Failure to use PPE and Collective Protective Equipment for electrical risks.	III.
	Use of PPE and Collective Protective Equipment for electrical risks not compliant with OHS regulations.	III.
	In case of works at live electric equipment, the use of equipment owned by the Contractor that is uncontrolled and unrevised (by the persons responsible for the area in question).	III.
	In case of works with live electric equipment, insufficient checking (by the persons responsible for the area in question) of working means owned by the Contractor and non-existence of valid certificates.	III.
	Non-compliance / incomplete compliance with other H&S regulations and ENEL provisions regarding prevention of electrical hazards.	II.
	Insufficient earthing and protection of manual tools used at the workplace.	III.
Work at heights and above free depth	Failure to use PPE and Collective Protective Equipment related to the risks of falling from heights and into free depth.	III.
	Use of PPE and Collective Protective Equipment related to the risks of falling from heights and into free depth inconsistent with OHS regulations.	III.
	Non-compliance / incomplete compliance with other OHS regulations relevant to works at height.	III.
Mechanical load lifting	Incorrect use of load lifting equipment / adoption of incorrect procedures for load lifting.	II.



	Lack of procedures for load lifting operations by mechanical equipment.	II.
Works with exposure to chemical risks	<i>Carcinogenic – Mutagenic – Acute Toxic Substances</i>	
	Failure to notify SE of bringing of such chemicals into SE sites.	III.
	Missing/incomplete compliance with OHS regulations and SE regulations regarding labelling and safety data sheet while handling, transporting, using and storing chemicals.	II.
	Deficiencies and breaches of rules regarding works with the risk of exposure to dust from asbestos or from materials containing asbestos.	II.
	<i>Other chemicals</i>	
	Failure to notify SE of bringing of such chemicals into SE sites.	II.
	Missing/incomplete compliance with OHS regulations and SE provisions regarding labelling and safety data sheet while handling, transporting, using and storing chemicals.	I.
Physical factors	Failure to execute sufficient protective measures at works with exposition of physical factor.	I.
Fire protection and works with increased danger of fire / explosion inception	Deficiencies and breaches of rules regarding fire protection (legal regulations and SE internal regulations).	II.
	Missing/incomplete compliance with FP regulations and SE regulations on protection measures in explosive atmosphere (ATEX).	III.
	Violation of the prohibition of smoking.	II.
	Works performed not in compliance with OHS regulations and SE regulations regarding works with increased danger of fire inception.	II.
Excavations	Missing/insufficient measures to ensure OHS related to excavations.	II.
Work in confined places	Missing/insufficient measures to ensure OHS at works in confined spaces.	III.
Works above water/with hydraulic risk	Works performed not in compliance with OHS regulations and SE provisions concerning risks related to works above water.	II.
	Works performed not in compliance with OHS regulations and SE provisions concerning hydraulic risk.	III.
Underwater work	Works performed not in compliance with OHS regulations and SE provisions relevant to underwater works.	III.

KEY

III.	Extremely severe breach
II.	Very severe breach
I.	Severe breach