



# General Terms and Conditions for Purchasing by the Deutsche Telekom Group (GTC Purchasing)

## Part A: Deutsche Telekom Group applicable terms

### 1. Area of Application

- (1) These General Terms and Conditions for Purchasing (hereinafter referred to as "GTC Purchasing") and any other contractual terms and conditions indicated in the Order (as defined below) shall apply exclusively to the Order and to the exclusion of any other terms that Contractor seeks to impose, incorporate, or which are implied by trade, custom, practice or course of dealing.
- (2) Only orders, calls, contracts, etc. and other declarations of intent which are placed in writing by a procurement unit of Deutsche Telekom AG (hereinafter referred to as "DTAG") or a group company within the meaning of section 1, subsection 3 (hereinafter referred to as "Customer") shall be legally valid (hereinafter referred to as an "Order"). The requirement of written form in the sense stated above is also satisfied by communication methods provided electronically, by fax or e-mail or electronic communication methods provided by Customer for handling purchasing transactions, including full integration, web-based applications or declarations transmitted via an Order Management Tool. An electronic declaration of intent is received on the day on which it is available for retrieval by the recipient under its electronic address during normal business hours; otherwise, it is received on the next business day. In the event that a special electronic communications method provided by Customer to handle purchasing transactions is used, the relevant terms and conditions of use of the Deutsche Telekom Group shall apply to such electronic communications methods provided by it ("NB e-commerce" published on [www.suppliers.telekom.de](http://www.suppliers.telekom.de) under "Terms & conditions").
- (3) If Customer and Contractor have entered into a frame agreement with reference to these GTC Purchasing, DTAG and all companies affiliated worldwide in which DTAG, directly or indirectly, holds at least 25% of the shares and/or has management control shall be beneficiaries and thus shall be entitled to place Orders under such frame agreements.

### 2. Parts of the Agreement, Order of Precedence

The following documents shall be integral parts of the agreement in the order of precedence as set forth below:

- a. the Order;
- b. the specifications;
- c. these GTC Purchasing (consisting of Part A and country specific terms and conditions set out in Part B, while in case of inconsistencies Part B shall prevail); and

- d. the Corporate Social Responsibility and Anti Corruption Clause (hereinafter referred to as "CSR-Clause", published on [www.suppliers.telekom.de](http://www.suppliers.telekom.de) under "Terms & conditions").

### 3. Environmental Protection

- (1) The Contractor shall adhere to all applicable laws, regulations, decrees and ordinances with respect to the delivery of goods or the provision of services.
- (2) Contractor is obliged to take back, free of charge, the packaging material and to collect and dispose of it in compliance with local law. Upon request, Contractor shall provide proof of such disposal. If Contractor fails to comply with this obligation, Customer is entitled to have the collection and disposal undertaken at Contractor's expense. Contractor will inform the Customer at latest by Order placement if the Customer will exceptionally be seen as distributor of packaging materials.
- (3) Contractor is obliged to meet all obligations arising from local packaging regulations and provide Customer with proof thereof on request and assume Customer's obligations arising from such packaging regulations and, if such obligations are not transferable, support Customer in meeting these obligations free of charge. Should, by way of exception, Customer be regarded as the initial distributor who puts sales packaging filled with goods and typically arising at the private end consumer into circulation for the first time, Contractor shall be obliged to inform Customer of this fact at the latest at the time of placing the Order.
- (4) Contractor ensures to comply with all the obligations regarding Registration, Evaluation, Authorization and Restriction of Chemicals (hereinafter referred to as "REACH Regulation") imposing on Contractor and Customer at its own expense. If, according to the REACH Regulation, such obligations are not transferable from Customer to Contractor, Contractor shall immediately inform Customer thereof and support Customer free of charge in meeting such obligations to the maximum extent possible. If Contractor's registered office is outside of the European Union, Contractor shall, at its own expense, appoint a representative registered within the European Union that shall comply with the obligations under Article 8 of the REACH Regulation and inform Customer about such appointment.
- (5) Regarding further specific rules see Part B: Country specific terms.

#### 4. Integrity and Cooperation, Social Charter

- (1) DTAG has designed core principles and values which demonstrate DTAG 's willingness to share its business ethics, the social and environmental commitments with its suppliers. The Contractor agrees to take all necessary measures to prevent and to sanction any case of active or passive corruption. Details are set forth in the CSR-Clause.
- (2) Contractor shall immediately notify Customer in writing as soon as it becomes aware of any actual or likely breach of the CSR-Clause within its area of responsibility, and in particular, to avoid anything that might harm Deutsche Telekom 's Group brand image or endanger its security of supply.
- (3) Contractor is obliged to comply with the security provisions of Deutsche Telekom Group (published on [www.suppliers.telekom.de](http://www.suppliers.telekom.de) under "terms & conditions") which apply to Contractors and their vicarious agents, and to inform the persons and/or subcontractors deployed to provide the service and to oblige them to do the same.
- (4) If work is to be performed at Customer's security-sensitive sites, Contractor shall ensure that only staff who have passed the security check in accordance with local security clearance checks are employed.
- (5) Regarding further specific rules see Part B: Country specific terms.

#### 5. Terms of Delivery, Scope of Services, Prices

- (1) The price agreed upon in the agreement is a fixed price including delivery "free place of destination". The price covers the entire transport, insurance, packaging and other incidental costs and charges through to delivery/setting-up ready for service at the place of receipt/installation site indicated by Customer, unless otherwise agreed.
- (2) Unless explicitly agreed otherwise, in case of deliveries from abroad the delivery clause "DDP excl. Import VAT" (Incoterms 2010) named place of destination shall apply, so that import VAT shall be borne by Customer.
- (3) The price includes the costs of any installation, integration and transference work which may become necessary and which shall be performed by Contractor without disturbing current operations. If necessary this work shall be undertaken outside normal working hours.
- (4) The relevant instructions for the operation, handling, use and service and other documents shall be delivered in the language customary in the country of Customer's contracting unit. The instructions and documents are included in the price.
- (5) Every consignment shall be accompanied by a delivery note. Delivery notes and, if specifically agreed, dispatch notes, must contain:
  - number, reference number and date of the Order,

- number of any partial consignment;
- number and date of the delivery note;
- date of dispatch;
- any information on the type and size of the consignment along with materials numbers and item numbers specified in the Order; and
- mode of dispatch.

- (6) If invoicing on an hourly or daily basis is agreed, no further costs in relation to travel, waiting times and/ or travel expenses shall be payable.
- (7) Contractor shall offer DTAG and its group companies within the meaning of section 1, subsection 3 its products, work and/or services at the most favorable terms, conditions and prices which Contractor grants to DTAG itself and/or any company of its group worldwide with regard to quantity, quality and market conditions for comparable products, work and/or services. DTAG and its group companies reserve the right to exchange the respective information.

#### 6. Time of Performance

- (1) The agreed time of performance is binding.
- (2) Early and/or partial performance requires Customer's express written consent. Any performance effected prior to the agreed date shall not affect the start of a payment period linked to the date of performance.
- (3) Contractor shall immediately inform Customer in writing if circumstances arise or become noticeable which could result in failure to meet the agreed time of performance.
- (4) The provision of the products, work and/or services in a condition eligible for acceptance shall be authoritative for determining whether the performance has been provided duly on time.

#### 7. Rescission or Termination for Good Cause

- (1) Either party may in particular rescind or terminate the agreement for good cause, if a petition for insolvency proceedings has been filed with the court, the other party has suspended payments on a not merely temporary basis, ceases its business operations or the part thereof relevant for the contractual performance, or if a similar event occurs which corresponds to the aforementioned situations under the laws in effect at the place of business of the affected party.
- (2) Regarding further specific rules see Part B: Country specific terms.

#### 8. Liability for Defects

- (1) In case of an epidemic failure (frequency of errors significantly above the error frequency rate specified or to be expected normally), Customer shall be entitled to demand that all delivery items in the series concerned be replaced free-of-charge, regardless of whether the defect has already become apparent or not with regard to an individual item of that series.

In addition, Contractor shall compensate Customer for any additional costs and expenses that it may have incurred as a result of the epidemic failure (including, but not limited to, the costs and expenses for inspections of incoming goods, logistics, etc.). Customer's other rights and remedies shall remain unaffected.

- (2) Regarding further specific rules see Part B: Country specific terms.

## **9. Rights of Use**

- (1) Contractor shall grant Customer the non-exclusive, global, irrevocable, transferable, worldwide and unrestricted right of use of the software covered by the agreed remuneration to fully use the software included to perform the functions included in its scope of service. Customer may at any time obtain further licenses with the same rights of use. Customer may make copies to the necessary extent for training, back-up and archival purposes.
- (2) To the extent that the performance involves an individual service for Customer, Customer shall obtain an exclusive, irrevocable, transferable right of use which is not limited in time, territory or content and which is covered by the remuneration. Such right of use includes (without being limited to) the right to publish the documents completely or parts thereof, and duplicate, alter or process them including (without being limited to) making further use of them for follow-up agreements with third parties.
- (3) Contractor is obligated to immediately – at latest upon the delivery of goods or the provisioning of services - notify Customer in writing if open source software is to be used and which licensing terms and conditions shall apply. Section 10 shall apply accordingly.

## **10. Third Party Right**

- (1) Contractor guarantees that no intellectual property rights of third parties exist which conflict with the intended use of the contractual services by Customer and that no further licenses, approvals, consent or payments are required in association with intellectual property rights of third parties so that Customer can use the contractual services as stipulated in this Agreement or in the relevant Order.
- (2) Each party shall immediately notify the other party of any claim related to said third party intellectual property rights made or threatened against the other Party and/ or if it becomes aware of any infringement or alleged infringement of any third party rights in connection with the contractual services.
- (3) On written request, Contractor shall fully indemnify Customer from any and all legal actions, demands, costs, charges, losses, claims and expenses suffered by Customer as a result of the infringement or alleged infringement of any third party intellectual property rights. In addition to these duties,

Contractor may, at its own discretion and at its own expense either:

- (a) modify or replace the services in a way that prevents third party rights from being infringed or allegedly infringed, however which ensures that the services continue to comply with the contractually agreed requirements in all respects; or
- (b) obtain the right for Customer to (further) use of the services in accordance with the agreement.

- (4) If Contractor fails to cease the infringement of third party intellectual property rights, Customer shall (at its sole discretion) be entitled to withdraw from the relevant Order and to make claims for compensation or for a corresponding reduction of the purchase price and/or the licensing fee.

## **11. Confidentiality, Data Protection**

- (1) Both parties shall treat in confidence all information from the business of the other party of which they become aware through the business relation and which is not generally available. Such information shall not be used for their own or third parties' purposes. The aforementioned confidentiality obligations shall not apply within Deutsche Telekom Group.
- (2) Contractor shall comply with secrecy of telecommunications and data protection provisions and, in particular, the protection of personal data.
- (3) All documents made available to Contractor by the Customer shall remain Customer's property. Upon Customer's request Contractor shall return or destroy the documents together with all copies.
- (4) Contractor undertakes to explicitly and demonstrably inform its employees, vicarious agents and subcontractors that Customer may collect and process the following personal data on them for the purposes of guaranteeing statutory regulations and its legitimate business interests: title, surname, first name, date of birth, street, zip code, town and country.
- (5) Any mention of Customer as a reference shall require Customer's prior express consent in writing. Once granted, this consent shall continue to be valid until it is withdrawn. Customer shall be entitled to withdraw such consent at any time without notice and without stating the reasons.

- (6) The obligations in this section 11 shall continue after the expiry of the agreement.

- (7) Regarding further specific rules see Part B: Country specific terms.

## **12. Performance of the Agreement by Third Parties**

- (1) The deployment of third parties as subcontractors shall require the prior written consent of Customer.
- (2) If Customer gives its consent, Contractor shall ensure that all subcontracts awarded under the relevant Order are drawn up

in such a manner that Contractor is fully able to meet its obligations to Customer.

- (3) Contractor`s liability shall remain unaffected by the subcontracting, the information on the structure of the subcontracting relationship or the consent to this by the Customer.

### 13. Independent Service Provision

- (1) Contractor shall provide the contractual services independently and on its own responsibility.
- (2) In principle, the Contractor is free to choose the place of performance in providing its services. However, if the project requires the services to be provided, in part, on Customer's premises, Contractor shall be prepared to provide the services to this extent in the relevant facilities; the parties shall agree on the relevant place of performance, taking the project requirements into account.
- (3) Contractor is solely responsible for providing instructions to its employees and those of the subcontractors it engages. Contractor is free to organize the provision of its services and to schedule its activities. If required by the project Contractor shall cooperate with other parties involved in the project to coordinate activities and meet agreed deadlines.

### 14. Invoices, Terms of Payment

- (1) Invoices shall be submitted after the service has been provided in full.
- (2) Invoices shall be sent solely to the invoice address specified in the Order.
- (3) Contractor shall submit a verifiable invoice of its services. In particular invoice line items must match order items. Part payments and final payments are to be marked as such and listed individually in numbered sequence. The invoice shall contain Customer`s business unit placing the Order, Order number and the place of receipt. The invoice shall be in accordance with the applicable local taxation law. If the invoice does not comply with the aforementioned requirements, Customer reserves the right to return the outstanding invoice in order for Contractor to complete or correct it. In such a case, the payment period shall begin only after the completed or corrected invoice has been received by Customer. Even if Customer does not make use of the aforementioned proviso, Customer shall not be responsible for any delay in payment. The invoice with the address given in the Order shall not be issued before the day of performance in accordance with the agreement.
- (4) Amendments and supplements to the agreement shall only be paid for if agreed upon in writing before being carried out.
- (5) The prices agreed are net prices. If applicable, value added tax to the statutory amount shall be added.

- (6) The invoice shall not be paid before the service has been provided.
- (7) Unconditional payment of the invoiced amount by Customer does not constitute recognition of Contractor's services as being in accordance with the agreement.
- (8) Customer may deduct any withholding taxes which may possibly accrue from the price to be paid and pay them to the fiscal authorities on account for Contractor unless a valid certificate of exemption is provided by Contractor.
- (9) Regarding further specific rules see Part B: Country specific terms.

### 15. Assignment of Claims

- (1) Customer shall be entitled to assign its rights and obligations arising from the agreement individually or in whole to any group company within the meaning of section 1, subsection 3. Such an assignment shall not require Contractor's consent.
- (2) Regarding further specific rules see Part B: Country specific terms.

### 16. Set-off

- (1) Contractor has no rights of retention insofar as they are based on counterclaims resulting from other legal transactions with Customer.
- (2) Contractor may only offset such claims which are undisputed or recognized by final and binding judgment.

### 17. Foreign Trade Regulations

- (1) Contractor shall be accountable for the compliance with all applicable foreign trade regulations in connection with a delivery and, in particular, for obtaining all authorizations required under export laws on its own responsibility and at its own expense.
- (2) For any delivery of goods, Contractor shall provide Customer with the following information:
  - a. Statistical Commodity Code in accordance with the Harmonized System of the World Customs Organization (WCO);
  - b. Country of origin of the goods (where applicable, in accordance with EU preferential agreements); and
  - c. Any foreign trade information and documents relevant for shipment (weight of the goods, customs number, VAT ID).

The information defined under a. and b. shall be provided as either as separate information prior to shipment or, at the latest, as an annotation on Contractor's invoices.

- (3) If Contractor delivers goods of U.S. origin or primarily of U.S. origin, it shall be obliged to provide Customer with the Export

Classification Number (ECCN) and to identify any applicable “license regulations” or “license exceptions” according to U.S. re-export laws.

- (4) To the extent that Contractor has obtained goods and/ or services either wholly or partially from third parties, it shall guarantee that they have been obtained from secure sources, and that they have been exported, imported or introduced under observation of and in compliance with the legal export regulations of the country of manufacture/dispatch.

**18. Final Provisions**

- (1) The place of performance shall be the place of final destination indicated by Customer.
- (2) Notwithstanding the legal invalidity of individual items, the remainder of the agreement shall remain binding. However, this shall not apply if adherence to the agreement would constitute an unreasonable hardship for one party.
- (3) Regarding further specific rules see Part B: Country specific terms.

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# General Terms and Conditions for Purchasing by the Deutsche Telekom Group (GTC Purchasing)

## Part B: Specific terms for the Slovak republic

### Preamble

#### 1. Area of Application

These General Terms and Conditions for Purchasing, Part B shall apply for contractual relationships between Slovak Telekom, a.s. (hereinafter „Customer“) and other contractual party (hereinafter the „Contractor“) arising out of their commercial activity, particularly including purchase orders placed by the Customer, which have been accepted by the Contractor, purchasing contracts, contracts for work and other standard contracts according to Part Three, Chapter II of the Act No 513/1991 Coll. Commercial Code as amended, as well as any other contracts concluded between the Customer and the Contractor (hereinafter „Agreement“), whose subject is, particularly supply of movables (goods), creation of work and/or provision of services (hereinafter „Services“) by the Contractor to the Customer (hereinafter „Performance“).

#### 2. Formation of Contractual Relationship

A contractual relationship between the Customer and the Contractor shall arise:

- a) Upon signature of a written copy of the Agreement by both parties, or
- b) Upon delivery of a written acceptance of the Order, unless otherwise stated below.

Order is a commercial document representing first official request issued by the Customer to the Contractor identifying type, quantity and price for the requested product and services. A contract is deemed to be concluded upon acceptance of an Order by the Contractor in written form; The Contractor thereby accepts the terms and conditions as proposed by the Customer in the Order and these GTC. Unless otherwise agreed, the Contractor is obliged to accept the Order in writing within five (5) working days from its delivery to the Contractor. Should the Contractor fail to accept the Order in writing within specified period, no contractual relationship between the Customer and the Contractor shall arise and, upon expiration of this period, the Customer shall not be bound by such Order, unless the Contractor provides the performance according to relevant Order within period for acceptance of this Order or within required delivery date; this shall be considered to be unconditional acceptance of the Order.

3. Every Agreement shall contain basic identification data of the parties according to their entry into the Commercial Register or Trade Register, or another register set out under a special Act, including TAX Id (Tax Identification Number) and VAT Id (VAT

Identification Number), whereas the Contractor is, no later than on the day of formation of contractual relationship, obliged to prove to the Customer its authorisation to conduct entrepreneurial activity within the specified scope of business by the copy of the Commercial Register or Trade Register, or another register set out under a special Act, not older than three (3) months. The Contractor is also obliged to notify the Customer without undue delay about any change arising on his side, which are subject to entry into the above mentioned registers, otherwise, the Contractor shall be liable for any damage thus caused to the Customer and the Contractor shall compensate the Customer for costs, incurred by the Customer in this connection.

### 1. Quality Management, Environmental Protection, Social Charter

- (1) The Contractor shall adhere to quality management and environmental protection requirements. If stipulated in the specification, the Contractor shall document application of quality management and environmental protection system in accordance with ISO 9001:2008 and shall provide information according ISO 9001:2008.
- (2) Within the framework of its corporate responsibility, ST supports improvement of the environment and energy consumption reduction. Therefore, the Contractor shall offer to the Customer high energy efficiency goods compliant with valid EU legislation. Moreover, the Contractor undertakes to provide ST with information concerning energy consumption of individual goods for the purposes of CO2 emissions reduction.
- (3) The Contractor shall provide ST with all necessary information regarding chemical composition of delivered goods, their packaging and further specific information. For this reason, the Contractor may be required to:
  - i) Provide carbon footprint of the product including at least place of manufacture, its transportation, use and end of life; and
  - ii) Fill a questionnaire for the purposes of collection of all relevant environmental information.
- (4) The Contractor hereby agrees with use of the above information by ST for its customers. The Contractor shall also ensure full compliance of goods/products with all rules applicable in the country of delivery. The Contractor shall prove compliance with the above mentioned rules not later than upon delivery.
- (5) The contractual parties agreed that in compliance with the rules governing collection and treatment of electronic waste, the status of goods at the end of its life cycle shall be defined in the Agreement.
- (6) The Contractor also undertakes to meet all obligations of manufacturer of specific products (particularly obligations of manufacturer of electronic equipment, batteries and accumulators, packaging and non-packaging goods) according to Act No 79/2015 Coll. on Waste on amendments to certain acts as amended (hereinafter „Waste Act“), if the subject of performance according to Agreement is placing of such products on the Slovak market (the Contractor or its sub-contractor is, according to the Waste Act, deemed to be

manufacturer). The Contractor shall inform ST on the manner of fulfilment of its obligations as manufacturer of the specified goods without unnecessary delays after conclusion of the Agreement or, if the contractual relationship is created by acceptance of the Order, upon acceptance of the Order or upon delivery, whichever happens earlier. If agreed in the Agreement, that in exceptional cases the obligations of manufacturer of specific products will be fulfilled by the Customer, the Contractor shall instruct, advise and provide necessary cooperation to the Customer free of charge, so the Customer is able to meet all obligations according to the Waste Act, immediately after the Customer's request.

- (7) The Contractor undertakes, that the goods will be made and delivered in accordance with Act No 346/2013 Coll. as amended (RoHS Directive No 2011/65/EU implementation into Slovak legislation), particularly concerning dangerous substances content in devices, technical documentation elaboration, issuance of EU declaration of conformity, addition of accompanying documentation, marking of devices, marking of devices or accompanying documentation with CE symbols, model number, batch or serial number, manufacturer and importer's business names or their trade mark, registered office and the place of business. The Contractor also undertakes to adopt corrective measures in order to comply with technical requirements according to the above mentioned Act, including withdrawal of particular goods from market. The Contractor shall be liable for damages caused to ST by breaching of his obligation according to this Article 7 and is obliged to reimburse such damages. Within such reimbursement, the Contractor shall reimburse ST for any sanction imposed to ST by public authorities for breach of the Contractor's obligations and any other costs incurred by ST caused by breach of the Contractor's obligations, particularly costs related to performance of corrective measures.

## **2. Default in performance and/or breach of Agreement**

- (1) The Contractor shall notify the Customer without delay about any anticipated delay with performance delivery. If, within the period for performance, it is possible to reasonably anticipate that the Contractor will not be able to meet the agreed time of performance, the Customer has the right, at the Contractor's costs and risks, to perform adequate measures in order to prevent imminent default. If the Customer was forced to withdraw from the Agreement due to the Contractor's default and provide for a relevant substitute performance, which was the Contractor in delay with, from another Contractor, the Customer has the right to claim reimbursement of such costs as well as damages from the Contractor.
- (2) If only a part of performance can be provided on time, the Contractor shall provide at least partial performance at the time agreed upon, except if the Customer withdraws from the Agreement or the Customer asks the Contractor in writing to provide whole performance on a later date specified by the Customer. Such specification of later date shall be without prejudice to the Customer's right to claim contractual penalty according to the Agreement, i.e. original delay of the Contractor shall be decisive for calculation of contractual penalty.

- (3) If the Contractor is in delay with provision of performance according to the Agreement, the Contractor is obliged to pay the Customer contractual penalty in amount of 0,5% from the price of performance according to the Agreement for every commenced day of delay. The contractual penalty shall be payable on the basis of an invoice raised by the Customer without undue delay after breach of contractual obligations. The invoice on contractual penalty shall be payable within 14 days from the date of its issue.
- (4) The exercise of the contractual penalty shall be without prejudice to the Customer's claim for damages caused by the Contractor's breach of obligation to deliver the agreed upon performance in time. The Customer shall have the right to claim damages in full amount. Breach of obligation according to this Article by the Contractor shall be considered to be serious breach of contractual obligations with consequences according to legislation and these GTC.

## **3. Product Liability, Warranties**

- (1) The Contractor is obliged to provide performance according to the Agreement, especially in terms of quantity, quality and finishing specified by the Agreement and to guarantee indefectible functionality of provided performances, otherwise, the provides performance is deemed to have defects, for whose shall the Contractor be liable according to relevant legislation.
- (2) The Customer shall be in case of defective performance entitled especially to:
  - a) request rectification of defects by providing substitute performance for defective performance, delivery of missing performance and require rectification of legal defects,
  - b) request rectification of defects by repairing of the performance, if the defects can be rectified,
  - c) require adequate discount from price of performance or
  - d) withdraw from the Agreement.
- (3) Claims for defects of performance shall remain unaffected by claims for damages or for contractual penalty.
- (4) The warranty period for performance is twenty-four (24) months and shall commence upon acceptance of performance by the Customer and signature of delivery note or acceptance protocol. The warranty period shall be prolonged by the period, within which the defective performance could not be used according to contractual provisions due to reasons on the Contractor's side.
- (5) If the performance suffers from defects that occurred within the warranty period, the Customer shall notify the Contractor about this fact without undue delay; the Contractor is obliged to rectify the defects within agreed period, however, not later than 30 days after making the claim.
- (6) Breach of obligations according to this Article by the Contractor shall be considered to be material breach of contractual obligations with consequences according to legislation and these GTC.
- (7) Other statutory claims shall remain unaffected.



#### 4. Acceptance, Acquisition of ownership

- (1) The Customer shall acquire ownership to the subject of performance upon its delivery, which shall be confirmed by a delivery note or acceptance protocol. The risk of loss or physical damage to the subject of performance shall pass on the Customer upon acceptance of performance, which shall be confirmed by a delivery note or acceptance protocol. However in case of contract for work (section 536 et seq of the Commercial Code) for the creation, assembly, maintenance, repair or modification of a structure or its part, the acquisition of the ownership to the subject of performance shall be governed by provisions of section 542 et seq. of the Commercial Code.
- (2) Performances/deliveries for the Customer shall not be subject to retention of title, or any other similar legal restrictions. A reference or notification about such retention or restrictions stated in acceptance of the Order or invoice shall be, without explicit Customer 's objection or disapproval, invalid.
- (3) Upon acceptance of performance by the Customer, the parties shall sign a delivery note or acceptance protocol. The moment of signing of the delivery note or acceptance protocol by both parties shall be considered to be acceptance of performance.
- (4) The Contractor is, upon delivery of performance at the latest, obliged to submit a certificate of conformity of technical characteristics of provided performance with relevant technical standards or other document proving compliance of performance characteristics with requirements of legislation or technical standards.
- (5) The Contractor is, on his own costs and prior to delivery of the performance, obliged to submit the performance for tests or technical control (hereinafter „acceptance tests“) to ascertain whether the performance is in conformity with the Agreement and whether it complies with required technical parameters.
- (6) The Customer has the right to attend the acceptance tests and the Contractor is obliged to notify the Customer about the place and date of such tests not later than 14 days before planned date of performance of acceptance tests. The costs related to attendance of authorised person of the Customer on the acceptance tests shall be borne by the Customer. If the authorised person of the Customer does not attend the tests on time specified for their performance, the Contractor has the right to perform the tests without his presence, however, an independent expert with relevant specialization shall attend the tests; the Contractor shall inform the Customer about such person in writing, not later than two (2) days before commencing the acceptance tests.
- (7) The Contractor is obliged to submit the result of acceptance tests to the Customer not later than upon delivery of performance.
- (8) If the acceptance tests were not performed on agreed date due to the Contractor 's fault, or if the result of the test is negative, the Contractor is obliged to refund the Customer all costs incurred in this connection.
- (9) The performance of acceptance tests in the presence of the Customer does not release the Contractor from liability for

defects discovered after provision of performance or signature of acceptance protocol.

- (10) Breach of obligation according to this Article by the Contractor shall be considered to be material breach of contractual obligations with consequences according to legislation and these GTC.

#### 5. Changes to performance

- (1) The Contractor is obliged to provide the performance in quantity and according to specifications agreed upon in the Agreement. Any variations from the provisions of the Agreement having impact on type or quality of the provided performance shall be considered to be changes of contractual provisions. The changes of the date of delivery, place of performance and all changes related to the way of provisioning of performance shall also be considered to be changes of contractual provisions.
- (2) The Contractor may change the contractual provisions only if he informs the Customer about his intentions in writing and before actual provision of performance and the Customer grants him written approval. Such approval is also necessary if the intended changes of contractual provisions will not affect the price. If the Contractor fails to meet the obligation according to this Section, this failure shall be considered to be serious breach of contractual obligation.
- (3) The Customer may require changes of contractual provisions related to the performance within the Contractor 's operating capacity, if the Customer justifies such changes and if the Contractor agrees with them. Any change related to price, date of delivery or quality of performance shall be executed in writing and before the actual delivery of relevant performance.
- (4) The Customer shall not be obliged to pay for performance provided by the Contractor which differs from the Agreement.

#### 6. Delivery terms and documentation

- (1) The Contractor is obliged to deliver the subject of performance in time and to the place according to the Agreement. If the exact day or period, within which the Contractor is obliged to provide the performance, is not specified in the Agreement, a general delivery period shall apply; this period shall not exceed seven (7) working days, whereas the period, within which the Contractor is obliged to provide the performance starts on the day of delivery of written acceptance of the Order placed by the Customer.
- (2) The place of delivery shall be the address specified in the Agreement; this applies also for substitute deliveries for faulty performance and any recurrent performances. The Customer has the right, prior to provision of the performance, but not later than one (1) day before actual provision of the performance, ask the Contractor to change the place of delivery within the Slovak Republic and the Contractor is obliged to provide the performance at newly designated place as requested by the Customer.
- (3) The Customer is not obliged to accept delivery of the performance provided prematurely, i.e. before agreed date of delivery. The Contractor 's default with provision of the



performance shall be considered to be serious breach of the Agreement and the Customer shall have the right to withdraw from the Agreement; this is without prejudice to the Customer's right to claim contractual sanctions from the Contractor.

- (4) If the goods are delivered on the basis of sample or model, such sample or model shall become the Customer's property and shall not be added to the total quantity of delivered goods. The samples delivered subsequently according to the provisions of the Agreement (e.g. reference samples, prototypes) shall also become the Customer's property.
- (5) The Contractor is obliged to provide the Customer with relevant documentation related to the subject of performance, i.e. manuals, user guides, operational instructions and other documents necessary for use of the provided performance; the Contractor is obliged to hand this documentation over to the Customer at the time of provision of performance in Slovak language, in not otherwise agreed. In case of delivery of technical equipment, training of the Customer's personnel shall be included in the performance and shall be also included in the price agreed upon in the Agreement.
- (6) The goods shall be packed and marked for transport according to the Agreement. The Contractor is obliged to deliver the goods properly packed and secured during the transport by means common in trade for such goods and in quantities necessary for preservation and protection of the goods for avoiding damage to the goods during transport. The Customer shall execute return delivery of packaging only if expressly agreed upon in the Agreement.
- (7) If the Customer pays for transport individually, the Contractor is obliged to protect the Customer's interests by abiding by the terms of transport specified by the Customer. This includes selection of carrier, transport route, selection and use of means of transport taking into account type of transported goods and the most acceptable transport costs.

## **7. Documentation**

- (1) The Contractor shall provide the Customer with documentation necessary for execution of the Agreement free of charge and on time, if such documentation is not universally accessible.
- (2) The parties have the right to copy, archive or use the contractual documentation solely for the purposes of performance of the Agreement. The documentation may only be made accessible for a third party after written approval granted by another party.
- (3) If a construction contract shall be executed, design documents shall form a part of the Agreement.

## **8. Work permit/residence permit**

- (1) Where employees or subcontractors without Slovak citizenship are deployed, the Contractor hereby declares that all necessary official approvals have been obtained. Under no circumstances may employees, vicarious agents or subcontractors who are not in possession of a valid work permit and a valid residence permit be deployed. The Contractor shall indemnify the Customer from

any legal consequences resulting against failure to comply with these requirements.

- (2) The Contractor shall undertake to properly submit any value-added tax received to the tax office and to independently and properly pay tax on any remuneration received from Customer.

## **9. Intellectual property rights/legal defects**

- (1) The performance leading to creation of work, which is subject to copyright (hereinafter „Author's Work“) or whose handling is governed by the Act No 185/2015 Coll., the Copyright Act (hereinafter „Copyright Act“) shall be exclusively allowed according to relevant provisions of the Copyright Act or Agreement, in which the parties agreed on individual terms and conditions for use of the work by the Customer its partners and/or customers.
- (2) For the purposes of these GTC, the terms Individualised Work and Standard Work shall both bear the meaning the Author's Work. The Individualised Work shall represent any Author's Work
  - i) which will be devised, designed, developed, elaborated, projected and/or in any other manner created for the Customer, including configuration of the Standard Work
  - ii) whose costs related to activities laid down in (i) above shall be borne exclusively by the Customer, including cases, when such Author's Work is commercially utilisable by one or both parties,
  - iii) which is a product of activities laid down in (i) above, jointly executed by both parties, whereas both parties bear the costs of these activities and which can be commercially used by one or both parties according to the terms and conditions of the Agreement. The Standard Work shall represent an Author's Work, not intended for the exclusive use by the Customer, but also by other customers of the Contractor, or which was not devised, designed, developed, elaborated, projected and/or in any other manner created exclusively for the Customer.
- (3) The Contractor undertakes to supply the Customer, its partners or customers exclusively with Author's Works, in relation to which the Contractor has an authorisation to grant the rights of use according to the Copyright Act or other applicable legislation (hereinafter „Licence“).
- (4) The Contractor grants the Customer an exclusive, time, materially and territorially unlimited licence to any Individualised Work or its parts or copies created or delivered by the Contractor in relation to performance according to the Agreement (for avoidance of doubts also to works created by joint activity of the parties); such Licence shall be applicable to all manners of use of the Individualised Work known at the time of execution of the Agreement, which the parties, taking into account the purpose of creation of the Individualised Work and the Customer's commercial activity, could have anticipated; such Licence shall in particular include the right of Customer (without any further approval by the Contractor) to

- a) use the Individualised Work or its copies as a whole or partially (in parts) by all manners of use, particularly its direct use by the Customer in its commercial activities;
- b) make copies of the Individualised Work or its parts;
- c) release the original of the Individualised Work or its copies or parts to the public, particularly by sale or other form of transfer of ownership (including gratuitous transfers), lease or rent;
- d) perform processing, translation, adaptation, change, modification, finalisation, creation of derivative work or to perform other intervention into Individualised work or its copy or part in any known form including assignment of Individual work to third parties for performance of mentioned activities and to further use such processed, translated, adapted, changed, modified, finalised, or derived work without any restriction;
- e) enter the Individualised Work, its copies or parts into database or into a collection in all known forms;
- f) making the Individualised Work or its copies or parts available to the public by any known form, particularly
  - i) perform public exhibition of the Individualised Work, its copies or parts,
  - ii) perform public performance of the Individualised Work, its copies or parts,
  - iii) perform public transmission of the Individualised Work, its copies or parts;
- g) merge the Individualized Work its copies or parts with any other work;
- h) change the name of the Individualised Work; interrupt its public execution by advertisement or other entries;
- i) add different language version (dubbing, subtitles) to the Individualised Work;
- j) provided the Individualised Work is a software, to modify the source code of the Individualised Work or authorise third parties to execute such modification and use such modified Individualised Work without any restriction;
- k) register the Individualised Work as subject of exclusive industrial property related to the Customer's business activity at any registry office;

(hereinafter "Licence to the Individualised Work"). Parties hereby agree that the Customer is not obligated to use the exclusive license granted by the Agreement.

- (5) The parties agreed that if the subject of performance according to the Agreement shall be the Individualised Work in form of a software, the Contractor undertakes to supply the Customer with machine and source codes to all versions of the Individualised Work free of charge. The parties agreed that no further individual licence terms and conditions for any Contractor's software apart from those agreed herein shall apply. For the avoidance of doubt, any license terms and conditions and/or any legally relevant documents or conditions, that have to be accepted by the Customer prior, during or after software installation or prior or directly by downloading the Contractor's software, are expressly excluded and shall not apply between the Parties. If needed, any additional license terms have to be agreed by the Parties in writing in relevant Agreement in order to become binding to the Customer.

- (6) Upon signature of the Agreement, the Contractor grants the Customer a non-exclusive, time, materially and territorially unlimited licence to any Standard Work created or delivered by the Contractor and delivered to the Customer according to the Agreement (for avoidance of doubts also to works created by joint activity of the parties), and to all manners of use of the Standard Work known at the time of execution of the Agreement, including the right of the Customer to
  - a) use the Standard Work by all known manners of use, particularly its direct use by the Customer within its commercial activities;
  - b) make copies of the Standard Work;
  - c) distribute the Standard Work either alone or within delivery of goods or provision of services to its contractual partner and/or end users;
 without any further approval by the Contractor (hereinafter "Licence to the Standard Work").
- (7) The Customer shall have the right, to the extent of the Licence to the Individualised Work and Licence to the Standard Work, to grant permission to further use of the Individualised and Standard Work (sublicense) with or without charge, to any third party, as well as to assign the Licence to the Individualised Work and Licence to the Standard Work to any third party with or without charge, for which the Contractor grants the Customer its approval. The parties agree, that sublicensing and/or assignment of a licence by the Customer do not have to be in written form.
- (8) Provided that no consideration for granting the Licence was agreed in the Agreement, the Licence shall be granted free of charge. If the Agreement provides for a consideration for granting the License, the parties hereby declare, that the consideration corresponds to individual manners of use of the Author's Work according to these GTC; The consideration reflects the purpose of the Licence granted by the Agreement, the manner and circumstances of use of the Author's Work and the territorial, time and material scope of the License. The parties therefore agree that the consideration corresponds to individual manners of use as well as the extent, purpose and time of use of the Author's Work as specified in these GTC. The parties hereby agree that if the Customer will not use the License entirely or will not use its parts, the Customer shall have the right to claim refund of agreed consideration or its part.
- (9) Upon signature of the Agreement, the Contractor grants the Customer the right to use and present its business name and/or logo during any manner of use of the Author's Work as agreed in these GTC in relation to the Author's Work. The Contractor shall not be entitled to use and present its business name and/or logo in relation to the Individualised Work..
- (10)The Licence to the Individualised Work and Licence to the Standard Work according to these GTC shall be applicable to all versions, functional or language, which will be created by modification of delivered Author's Work.
- (11)Provided that the subject of performance according to the Agreement shall be delivery of movables – goods marked with trademark or movables – goods that are subject to third party

patent or design rights or any other intellectual property rights (hereinafter "Goods"), the Contractor is obliged to

- i) supply Customer only the Goods in relation to which the Contractor had acquired unequivocal and provable consent of the owner of intellectual property rights to introduce the goods to the European Economic Area and further resale to the Customer's end customers, and
- ii) supply the Customer only with new, original and in no manner changed Goods, unless otherwise agreed in the Agreement.

(12) The Contractor undertakes that:

- a) The Goods and Author's Work have no legal defects;
- b) No infringement of third party intellectual property rights (patents, trademarks, designs, copyrights or any other intellectual property rights) was caused by the supply of the Goods or Author's Work and their use by the Customer
- c) Except from the Licence, secured by the Contractor, to use of the Author's Work by the Customer or its customers in a manner and to the extent according to the Agreement, no other licence, approval or payment of any other fee to a third party shall be required (including payments to collective management organizations);
- d) If any individual terms or conditions related to transfer of ownership to the Goods of granting of Licence to the Author's Work were specified by the authorised licensee of a third party, such terms or conditions were fulfilled in time, so that Customer or its customers shall be granted all standard rights related to purchase of such Goods;
- e) He shall not use open source software (OSS) without the Customer's previous written consent. The Contractor shall free of charge and in due time prior to the initial delivery or service provision
  - i) inform the Customer of the specific OSS components,
  - ii) provide the Customer with the OSS documentation, including but not limited to the copyright notice(s) and license text(s) as required by the applicable OSS licensing terms,
  - iii) provide the Customer with the complete corresponding machine-readable OSS source code on a physical medium commonly used for software interchange
  - iv) demonstrate the implications for the contractual performance and
  - v) inform about the Customer's obligations ensuing from the implementation of OSS in the Contractor's products and/or services.
- f) In case the Contractor delivers a physical product, the Contractor shall accompany the product (per item) with the OSS documentation and corresponding source code as set out in clause 12 e) part (ii) and (iii) above as required by the applicable OSS licensing terms.
- g) The Contractor shall be fully responsible to enable the Customer to
  - i) comply with the licensing terms and
  - ii) fulfil all of the Customer's own obligations arising there from. For the avoidance of doubt, section 9 of these GTC applies.

(13) Upon request from the Customer, the Contractor is obliged to provide Customer with external and internal hardware and software interfaces and specifications of these interfaces.

(14) Any copyrights, industry rights and/or any other intellectual property rights recorded on any materials, tools, modules, drawings, models, specifications as well as other information or data provided or made accessible by Deutsche Telekom AG (hereinafter „DTAG“) and/or by the Customer to the Contractor (hereinafter „PDV Telekom“), shall at all times remain exclusive property of DTAG and/or the Customer and the Contractor is obliged to keep, treat carefully and maintain in good condition on its own risk until their return to DTAG and/or the Customer. The Contractor is obliged to use the PDV Telekom only in accordance with written instructions of DTAG and/or the Customer and refrain from any activity, which would cause the use or spread of the PDV Telekom other than in accordance with these instructions. Any Contractor's work or derived work based on the PDV Telekom and/or requirements laid down in written or oral form by DTAG and/or the Customer shall be the property of DTAG and/or the Customer. As a result, DTAG and/or the Customer exclusively shall be entitled to apply and use the intellectual property rights from such works or derived works. The Contractor is obliged to provide DTAG and/or the Customer with assistance in such proceedings.

(15) The Contractor undertakes to fully compensate the Customer against any third party claims arising from violation of their rights caused by delivery of Goods or Author's Work to the Customer or its customers or their use by the Customer. The Contractor undertakes to perform effective defence against such claims, whereas the Customer shall provide necessary assistance and required information. Upon request by the Customer, the Contractor is obliged to provide unequivocal and reliable proof that the Contractor had been entitled to grant the License and further rights to the Author's Work and supply the Goods to the Customer for use by the Customer. If the Contractor fails to provide such proof to the Customer within period stated by the Customer or if such proof was challenged by the authorised licensee of a third party, the Customer shall have the right to terminate the Agreement in full extent. The Contractor's obligation to compensate the Customer in relation to any costs, damages or losses arising from such claims shall not be affected by the termination of the Agreement. Should the third party's claim be confirmed and the Contractor does not accept the claim, the Contractor shall, with agreement of the Customer, in order to stop such unauthorised activity or secure the rights of use for the Customer either,

- a) Secure licence rights for the Customer from the author/owner of such rights, at least in extent according to these GTCs or the Agreement, or
- b) Upon previous agreement with the Customer change the provided performance in such manner, that they will no longer violate the rights of relevant third parties.

If no above mentioned obligations can be fulfilled, the Contractor shall be obliged to reimburse the Customer with already paid price and licence remuneration for delivered Goods and/or Author's work and fully compensate the Customer for caused damages. The preceding provisions shall

have no impact on the Contractor's obligation to compensate the Customer in relation of any costs, damages or loses arising from these claims.

## 10. Invoicing, Terms of Payment, Taxes

- (1) The Contractor has the right to invoice the agreed price only after due provision of performance and its acceptance by the Customer. The invoice shall be raised on the basis of a delivery note or acceptance protocol confirmed by the Customer; the delivery note or protocol shall be attached to the invoice. The Contractor shall raise the invoice within 15 days after provision of performance.
- (2) The Contractor is obliged to send the invoice to the address stated in the Agreement or the Order.
- (3) The invoice shall contain requirements according to valid Slovak legislation. The invoice shall further contain the Order number or Agreement number, assigned by the Customer, if no Order was placed.
- (4) The invoices shall be issued/raised in two counterparts. A copy of the invoice (duplicate) shall be marked accordingly. Should some of information be subject to corrections, the original information shall remain readable. No further changes to the invoice by corrector, correction tape or other correcting tools shall be made.
- (5) If the Contractor issues the invoice with incorrect information or if the invoice does not contain all requirements according to the Agreement, Act on VAT or these GTC, the Customer has the right to return the invoice to the Contractor without payment for its reissue. Upon return of the invoice, the payment period of the invoice shall be interrupted and new payment period shall start upon delivery of correctly raised invoice.
- (6) Payment period of every invoice is 60 days from its delivery to the Customer, except from the cases, where the invoice does not contain mandatory requirements according to valid legislation or where the Agreement states otherwise, Order number assigned by the Customer, or Agreement number according to the Customer's records. The invoice shall always contain the name of bank and its identifier and a bank account number. If the Contractor's registered office is in the European Union and the European Economic Area, the invoice shall also contain the Contractor's bank account number in IBAN format and a SWIFT/BIC code of the bank, where this account is kept.
- (7) Every partial or final invoice shall be accompanied by a delivery note or acceptance protocol signed by authorised person of the Customer confirming receipt of performance by Customer and a copy of Order, if applicable.
- (8) The Contractor shall not have a right to issue an invoice on advance payment, if not otherwise agreed in writing.
- (9) If partial payments for performance have been agreed in the Agreement, a partial performance shall be carried out. The payment for partial performance shall be executed via individual invoice. The Contractor shall invoice individually (partial invoices) the performance according to the Agreement (partial performance), i.e. the Contractor shall raise individual invoice

after delivery of every partial performance, whereas the individual performance shall be marked in the invoice and individual invoice after finishing of performance (lien) according to payment provisions of relevant Agreements (1 invoice = 1 payment).

- (10) The payment shall be executed via bank transfer to the Contractor's bank account stated in the invoice. The obligation to pay shall be deemed to be fulfilled upon debiting the amount owed from the Customer's account to the Contractor's account.
- (11) The payment of invoice shall not be considered to be acceptance by the Customer that the performances were delivered in accordance with provisions of the relevant Agreement or Order.
- (12) The payments outside of the Slovak Republic, but within the European Union and the European Economic Area in EURO (also called SEPA payments) shall have all bank fees covered as SHA (i.e. shall be equally borne by both parties). The payments outside of the Slovak Republic, other than SEPA payments, and the payments outside of the Slovak Republic in other currency than EURO, shall have all bank fees covered as BEN (i.e. all bank fees shall be borne by the Contractor).
- (13) Should the Contractor provide more than one individual performance in one month, the Contractor shall once a month raise one summary invoice for all performances.
- (14) Should Customer be in default with payment of an invoice, the Contractor has the right to claim interest on late payment in amount of 0,02% from the amount in default for every day of default with payment, however, only up to the 10% from the total price for the delivered performance.

## 11. The works calculated on the basis of hourly/daily rates

- (1) The Customer shall only pay the Contractor real costs for material and agreed hourly charges for performed works if agreed in the Agreement and if the Contractor properly justifies that it is necessary.
- (2) The Contractor shall inform the Customer about commencement and completion of agreed works. The Contractor is obliged to submit its time sheets to the Customer in two copies once a week; the sheets shall contain number of hours worked, quantity of used material and supplies which are subject to individual payments. The time sheets shall contain individual payments for provision of tools, equipment, machinery, scaffolding, etc.
- (3) Time for travel, idle time (planned and unplanned) and travel costs shall not be calculated as worked hours/days and shall not be paid to the Contractor separately.
- (4) The works executed on the basis of hourly/daily rates under the Customer's supervision and according to the Agreement shall be paid to the Contractor only upon verification and written authorisation of the time sheet containing performed works and actually worked hours. The Contractor shall send a copy of the time sheet authorised by the Customer in writing together with the invoice.

## 12. Termination of the Agreement/ Withdrawal from the Agreement

- (1) The contractual relationship between the Customer and the Contractor shall end upon written agreement of both parties.
- (2) Regardless of the fact whether the Agreement is concluded for definite or indefinite period, the Customer has the right to terminate the Agreement with one (1) month notice for any reason or without stating one. The notice period begins to run from the delivery of the notice to the Contractor.
- (3) The Customer shall have the right to withdraw from the Agreement in case as stipulated below:
  - a) the Contractor is in material breach of his contractual obligation,
  - b) the Contractor repeatedly breached his contractual obligation,
  - c) the performance of the Agreement is not possible with no fault on the Customer's side,
  - d) the Contractor declared bankruptcy or the bankruptcy proceedings were stopped due to lack of the Contractor's property or if the Contractor files a motion for restructuring,
  - e) the Contractor enters into liquidation,
  - f) due to a decision of a state authority or change of legislation, there is a material change or termination of conditions which formed a basis for execution of the Agreement between the Customer and the Contractor,
  - g) with regard to the particular Agreement, the Contractor performs activities which breach the Act on Protection of Competition,
  - h) the Contractor performs competitive activities and fails to provide relevant guarantee on ceasing such activities,
  - i) during business negotiations, or performance of his obligations according to the Agreement, the Contractor provides false or incorrect information about his technical and operational qualification and reliability.
- (4) Should the Customer breach its contractual obligations according to the Agreement, due to which the Contractor is unable to fulfil its contractual obligations, the Contractor shall provide the Customer with an adequate deadline (at least 30 working days) in order to provide a remedy; if the Customer fails to fulfil this obligation in additional period provided, the Contractor has the right to withdraw from the Agreement.
- (5) If the Customer withdraws from the Agreement, it shall have the right to return the performance received according to the Agreement. If the Customer keeps such performance, it shall pay the agreed price for relevant performance. If the Customer returns the performance, the Contractor shall also return the performance received according to the Agreement.
- (6) In case of withdrawal from the Agreement, the remuneration for partial delivered performances, if used by the Customer, shall be calculated as a percentage relevant to the ratio between the price for full performance and partial performance delivered to the Customer and which is actually used by the Customer. Unused performances can be returned to the Contractor at the Contractor's costs.

- (7) Material breach of the Agreement shall be also deemed the breach of such obligations according to the Agreement, about which was the Contractor notified by the Customer with relevant additional period to remedy the defects, provided that the Contractor fails to remedy the defect within this period granted by the Customer and continues with breach of his contractual obligations according to the Agreement.
- (8) Parties declare that in case of withdrawal from the Agreement or its termination, all rights and obligations arising out of the Agreement shall be settled within 30 days after expiration of the Agreement.

## 13. Confidentiality, Data protection

- (1) The Contractor is obliged to maintain confidentiality of all information, provided by the Customer during negotiations on the Agreement, as well as all other information acquired in connection with execution of rights and obligations according to the Agreement; such obligation shall not apply when the Customer provides information or other documentation concerning the Agreement or this Agreement to a third party, providing professional services and legally bound to maintain confidentiality.
- (2) The Contractor undertakes not to disclose any documentation or data (neither in writing, in electronic form or in any other sensually perceptible form) concerning the subject of the Agreement either partially or in full to a third person, unless this information become commonly known via legally acceptable way, i.e. the obligation to maintain confidentiality shall survive expiration of the Agreement. The Contractor and his employees shall not disclose any information or data in contradiction with their purpose, for their own needs and for the needs of third parties contrary to the Agreement and valid legislation.
- (3) Information which become known to the Contractor in relation to performance of subject of the Agreement, as well as the content of the Agreement and all its Annexes provided or made accessible by the Customer according to the Agreement, shall be deemed confidential according to Sections 17 and 271 of the Commercial Code with consequences stated therein.
- (4) If the Contractor will have, according to the Agreement or in relation to the Agreement, access to personal data or telecommunication secret and if this information relate to the Customer's employees, its customers or third parties, the Contractor could process such data only on the basis of written authorisation granted by the Customer for these purposes. The Contractor is also obliged to agree with all security standards of the Customer in writing.
- (5) The obligation to protect confidential information shall equally and without limitations apply to the Contractor, his representatives, advisors, employees. The Contractor shall disclose any confidential information acquired according to the Agreement only to his members of management, his representatives and employees, who inevitably need such information for performance of the Agreement and only if they are advised on the confidential nature of the information and

undertake to observe and protect confidentiality of the information.

- (6) If the performance according to the Agreement is to be fulfilled by a third Party (subcontractor) on the basis of a prior written consent by the Customer, the Contractor is obliged to provide a written consent from such third party (subcontractor) to maintain confidentiality of all information about the Customer, which the Customer had provided during negotiations on the Agreement, as well as all other information acquired in connection with execution of rights and obligations according to the Agreement. Should the subcontractor have access to a confidential information according to Article 13 Clause 4 of these GTC part B, the Contractor is obliged to notify the Customer immediately about such information; the Customer shall authorise the subcontractor for handling with such information in writing and the Contractor shall undertake to provide the subcontractor's written consent to be bound by the same security requirements of the Customer as applicable for the Contractor. The Contractor shall also ensure that all his subcontractors comply with all requirements at least to the extent according to this Article 13 of these GTC part B.
- (7) Should the Contractor breach any obligation concerning confidential information, the Contractor shall pay the Customer a contractual penalty in amount of 50.000,- EUR (in words fifty thousand euro) for each such breach of obligation. Payment of the contractual penalty under these GTC shall be without prejudice to the Customer's right to claim damages without any reservation, i.e. the Customer shall have the right to claim damages in full scope and extent. The contractual penalty shall be payable on the basis of an invoice raised by the Customer without undue delay after breach of contractual obligations. The invoice on contractual penalty shall be payable within 14 days from the date of its issue.
- (8) The Customer has adopted security processes of information security management system, according to those processes is the Customer entitled to require from the Contractor a verifiable fulfilment of security requirements, whenever applicable on the basis of delivered goods and services. The security requirements can be laid down by a valid Slovak legislation, international standards or security policies, by which the Customer shall abide. Fulfilment of such requirements may lead to change of the Contractor's processes or systems. The Customer has the right to control/audit the fulfilment of security requirements personally or via third party.

#### **14. Foreign Contractor/ Tax residence**

- (1) Upon execution of the Agreement, the foreign Contractor is obliged to provide the Customer with the following:
  - a) Original of Certificate of tax domicile issued by relevant tax of financial authority, where the foreign Contractor is registered for the income tax purposes,
  - b) Certified declaration whether he has a fixed establishment in the Slovak Republic or whether he is registered for the income tax purposes in the Slovak Republic.

Should the foreign Contractor's tax domicile change or a fixed establishment is created, the foreign Contractor undertakes to notify the Customer about such change immediately.

- (2) If the foreign Contractor has created a fixed establishment in the Slovak Republic or has registered for the income tax purposes in the Slovak Republic, the Contractor shall at the beginning of each calendar year submit to the Customer documents confirming payment of advance tax payments issued by relevant Slovak tax authority.
- (3) If the performance of the foreign Contractor is subject to withholding tax according to Sections 43 and 44 of Act No. 595/2003 Coll. on Income Tax as amended or under the relevant double taxation treaty, the Customer is entitled to reduce the payment for such performance by the amount of the tax.
- (4) The foreign Contractor undertakes, that if the Customer becomes liable to pay the tax security and to pay related penalties due to failure to do so by the foreign Contractor according to Article 14 Clause 1 of these CTC part B, the foreign Contractor shall pay this amount to the Customer on the basis of invoice raised by the Customer and compensate damages and any other costs caused to the Customer.
- (5) If a payment shall be made for delivery of software, licence payments or for training course to the foreign Contractor, such payment shall be subject to a withholding tax, the amount of which depends on the existence of a double taxation treaty with the country of the foreign Contractor's tax domicile.
- (6) All taxes which the foreign Contractor is obliged to pay according to the legislation of the country of its tax domicile, shall be included in the price according to the relevant Order or Agreement (even if invoiced separately).

#### **15. Foreign trade regulation**

- (1) If the Contractor obtained a performance either in full or partially from a third party, the Contractor shall guarantee that such performance was acquired from secure sources and was exported and imported to the Slovak Republic according to relevant legislation of country of origin or export.

#### **16. Assignment of claims**

- (1) The Contractor's claims with respect to the Customer cannot be assigned to a third party without prior written consent of the Customer. Accessory rights, especially interest and any other rights related to a receivable can only be assigned with a receivable itself. Other rights and obligations related assignment shall be governed by relevant provisions of Slovak law.
- (2) The Contractor shall not have the right to unilaterally set off a claim against the Customer which arose from legal relationship with the Customer. The Contractor may only offset reciprocal claims which are undisputed and recognized by binding judgement.

#### **17. Provision of collateral**



- (1) Unless otherwise agreed in the Agreement, the collateral shall be provided in the form of a bank guarantee.
- (2) Unless otherwise agreed, the Contractor shall provide the collateral at the latest upon execution of the Agreement.

### 18. Delivery of documents and notifications

- (1) All documents, notices or information related to the Agreement (hereinafter „correspondence“) shall be made in writing, or on other medium; the correspondence shall be delivered personally, by registered mail, courier or by electronic means (e.g. fax, mail etc.).
- (2) If the correspondence is delivered personally, by registered mail, courier or electronic means, the correspondence shall be delivered to the correspondence address according to the Agreement or to the last known correspondence address of the party, or to other address verifiably announced to the other party. The correspondence shall be deemed delivered also on the day when the addressed party refused to receive the correspondence or on the day when weekly storage period for collection of the correspondence sent to the party in mail office expired to no effect, or on the day when the mail office or courier employee stated on the correspondence sent to the party that „the addressee has moved“, „ the addressee is unknown“ or when any similar comment was stated, provided that such statement is true.
- (3) The party shall not be responsible for failed delivery of the correspondence, if the other party failed to notify the party about change of its correspondence or email address or fax number.
- (4) The correspondence delivered personally shall be deemed duly delivered on the date, when authorised personnel of the parties confirm the delivery in writing.
- (5) The correspondence delivered by registered mail or by courier shall be deemed duly delivered on the date when such correspondence is received by other party (addressee).
- (6) The correspondence delivered by electronic means shall be deemed duly delivered on the moment when the party – the sender receives notification confirming sending of the correspondence to the other party – the receiver.
- (7) The correspondence concerning the expiration (termination, withdrawal) of the Agreement shall be only delivered personally, by recorded mail or by courier.

### 19. Final Provisions

- (1) The contractual relationship created by the Agreement and these GTC shall be governed by and construed in accordance with the laws of the Slovak Republic, regardless of any collision rules, particularly the Act No. 513/1991 Coll. Commercial Code as amended and other valid legislation. The parties hereby agree that application of the United Nations Convention on the International Sale of Goods shall be excluded.
- (2) All disputes arising from the Agreement shall be resolved primarily by negotiation. If the parties fail to resolve their

disputes amicably, their dispute shall be resolved by competent Slovak court.

- (3) The Contractor by acceptance of particular Order or Agreement agrees that the terms and conditions, which are available at [www.suppliers.telekom.de](http://www.suppliers.telekom.de) will be available in English language version only.
- (4) The Agreement shall only be changed or amended by written amendment, numbered in ascending order, signed by both parties.
- (5) Should one or more provisions of the Agreement or these GTC become according to valid legislation ineffective, invalid or unenforceable, the remaining provisions shall remain valid and unaffected, to the extent of the valid legislation. The parties agree, that taking into consideration the meaning of such provision, they will replace it with a provision, which is to maximum extent similar to the original intent of the ineffective, invalid or unenforceable provision.

In Bratislava, on June 1, 2016  
Slovak Telekom