



Basic Conditions for Activities of Work or Service Contractors at the Area of TŘINECKÉ ŽELEZÁRNY, a.s.

I. Basic Provisions

1. A subject and purpose of the present Basic Conditions for Activities of Work or Service Contractors at the area of TŘINECKÉ ŽELEZÁRNY, a.s., (hereinafter just the "**Basic Conditions**") is binding determination of rules for activities provided by work and service contractors (hereinafter just the "**Contractor**") in the field of occupational safety and health protection (OSHP), fire prevention and serious accident prevention, environment and property protection, as well as in other areas related to activities and operations of the Contractor at the area of TŘINECKÉ ŽELEZÁRNY, a.s. (hereinafter also "**TŽ**").

2. The Contractor is liable to the Customer for the "Basic Conditions" meeting also by his employees or representatives, or employees and/or representatives of third persons if such third persons provide works or services on behalf of the Contractor at the area of TŘINECKÉ ŽELEZÁRNY, a.s. (any and all persons acting on behalf of the Contractor hereinafter just as "**persons of the Contractor**"). The Contractor is thus liable to the Client for that any and all obligations following for the "persons of the Contractor" hereof shall be met by the "persons of the Contractor" and, in case of any breach, the Client is entitled to apply sanctions to the Contractor in accordance herewith.

3. For purposes of the "Basic Conditions", the term "**Applicant**" means a person specified in the text of the appropriate contract requiring some work and providing the work and/or service acceptance. "**An OSHP representative**" means a professionally qualified person authorized by the Client to perform activities in the field of OSHP and risk prevention.

4. "Persons of the Contractor" can only use the equipment of TŽ with the TŽ documentation or in compliance with it.

5. The Client is a company certified according to ISO 14001, ISO 9001 and ISO/TS 16949, and, therefore, also the Contractor shall follow necessary conditions required in the Standards although the Contractor himself need not to be necessarily certified, save specified activities in relation to the quality assurance where the ISO Certificate is needed.

II. Occupational Safety and Health Protection

1. "Persons of the Contractor" are obliged to follow legal regulations related the occupational safety and health protection. The Contractor is obliged to set up terms and conditions in order to provide the occupational safety and health protection within the Contractor documentation which integral part is a technological or working procedure. The Contractor is liable for that any and all "persons of the Contractor" are professionally and health capable to perform needed working activities. Effective documents of professional qualification and health capability of the "persons of the Contractor" shall be kept at the Contractor, and the Contractor is obliged to present them to review immediately at request by the Client. A failure to prove professional qualification or health capability for OSHP of "persons of the Contractor" shall result into the immediate order of the Client not to perform such works by such persons, and immediate order of no entry to such persons into the TŽ area without any prejudice of such facts to proper performance of obligations by the Contractor.

2. "Persons of the Contractor" are obliged to obey control bodies of the Client in the field of the occupational safety and health protection. A competence of the control body of the Client is represented by the OSHP Representative and contractual supplier of the OSHP services provider. If



OSHP principles are found to be breached by “persons of the Contractor“, the Contractor is obliged to procure remedies according to instructions of the control body, including no work order observance or removal of such failing persons from the TŽ area.

3. In case of any fire or extraordinary event occurrence (injury, gas poisoning, traffic accident, explosion, release of chemical substances and preparations, natural disasters, etc.) in the course of a working activity performed by the Contractor, the Contractor is obliged to advise the Client without any unreasonable delay to a control center of the fire rescue unit of the company TŽ applying a company telephone number 150 or mobile telephone number 558 533 333 and VPD – Dispatching Control and Maintenance Methodology (Chief Dispatcher of TŽ) – tel. 558 532 200, co-act with them, and follow their instructions. “Persons of the Contractor“ are obliged to follow any and all measures of the Client following from any occurrence of extraordinary events as well as instructions of emergency commissions, Fire Rescue Unit, security guardians, control centers, crisis staffs, and health service members acting at the area of TŽ.

4. Metallurgical and other technologies in TŽ are characterized by health risks, particularly as follows:

- Burning by melt material spray (iron, steel, slag);
- Get burning by hot surface of material and/or technological equipment;
- Mechanical risks (catching, pressing, striking) in relation to technological equipments (metallurgical sets, material working machines, drives, service materials, forming machines, and other equipments);
- Due to toxic and explosive gases;
- Due to flammable fluids and gases;
- Due to power media (electric power, industrial gases, pressure equipments);
- Due to operated traffic technologies (roads, railways, crane transport, transport facilities);
- Due to chemical and physical harmful substances (dust, noise, vibration, etc.);
- Due to the workplace arrangement (insufficient handling working area, work in a confined room, etc.);
- Falling down on roads because of their wearing and dirt;
- Due to a failure to follow ergonomic principles (load lifting and relocation, microclimatic conditions – heat, cold, air humidity);
- Falling down from the height;

5. The Contractor is obliged to meet basic safety instructions and requirements as follows:

a) Prior to works commencement, the Contractor is obliged to take over the building site in writing, in form of a record in the building site (erection) log as minimum. A part of the takeover shall be:

- Site layout,
- Determination of access or also escape routes,
- Appointment of responsible persons of the Contractor and Client, and appointment of a person coordinating the OSHP measures,
- Mutual written information of the Client and Applicant on risks and measures to avoid them, and activities causing such risks at the workplace; the information shall be available at the workplace. Without a written workplace acceptance including information of risks, the Contractor is not entitled to commence the work.

b) Responsible “persons of the Contractor“ (technicians, building site Manager, assembly team chiefs, masters, foremen) are obliged, prior to work commencement, pass instruction training at the Applicant. The Contractor is obliged to cause that all “persons of the Contractor “ become provably acquainted with information from the instruction training and technological or working procedures in a scope applied to them. If a suggested stay of a “person of the Contractor “ at the TŽ area exceeds two calendar weeks, the “persons of the Contractor” have to pass also an initial OSHP training at a specified contractual OSHP services provider. The initial training comprises also training of fire prevention and serious accident prevention. The initial training cost shall be borne by the Contractor.



- c) Prior to work commencement, the Contractor is obliged to appoint and report the Client a professionally qualified person responsible in the field of risk prevention, including contacts to such persons. Such professionally qualified person is a partner of the OSH Representative in issues regarding the occupational safety and health protection, being responsible for supervision over the occupational safety and health protection principles observance in activities performed by the Contractor, or by “persons of the Contractor“.
- d) “Persons of the Contractor“ can stay at specified workplaces and premises they perform their duties and of which health risks they have been informed (a written record See the Article II, Par. 5 Letters a, b, c hereof). Entering these workplaces, sanitary facilities, canteen or dining room, etc., they can only use ways determined to them by the Applicant. Any stay at any other TŽ area site is strictly forbidden.
- e) A head shall be appointed to each working team in advance as a person responsible for arrangement of the work of a respective working team and for the present “Basic Conditions” observance by “persons of the Contractor“. A working team head shall be announced in form a record in the building site (erection)log including a telephone contact and, in case of his absence at the workplace, he shall be reachable for the whole work performance term of a respective working team.
- f) “Persons of the Contractor“ are obliged to use protective working means and aids in the course of working subject to identified risks of the performed activity. A minimum production plant equipment comprises a protective helmet, protective work clothing, solid work shoes and transparent goggles. All “persons of the Contractor“ shall be visibly designated by a business firm or another designation of a person on which behalf they perform their activities.
- g) The Contractor is responsible for the workplace (building site) order and cleanness. He is particularly obliged to arrange continuous removal of building debris or materials occurred during the work performance at contractually agreed sites as defined in the record of the workplace or building site handover. Further, the Contractor is obliged to assure safety of all excavations, working areas, places with risks of object falling down or obstacles at roads, and so on.
- h) In cases when performed works reach a passage rail profile and rail track passage is needed, or works restricting or interfering access space for normal rail track gauge shunter to the distance of 3000 mm from a rail track axis and height 6 m above the rail surface, and in rail track narrow gauge to the distance of 2300 mm from the rail axis and height 4 m over the rail surface, and in case of a risk of a rail superstructure stability failure or another risk, the Contract is obliged to agree with the VD operation- Traffic necessary safety principles, and he shall proceed pursuant to the Article II. Par. 5 of the Letter a) of the Basic Conditions.
- i) If works reach or interfere internal Company roads, the Contractor is obliged to agree in writing in advance a work procedure and safety measures with the Applicant or directly with technical supervisor of the road authority appropriate according to a rayon plan of the Client, and to secure the road according to effective regulations.
- j) Connections to powers and media from utilities can only be made by the Contractor or “persons of the Contractor“ subject to a prior written consent by the Applicant. The same rule applies in case of operation equipments or tools using.
- k) Temporary building structures (scaffolding):
- The Contractor (“person of the Contractor“) erecting the scaffolding (hereinafter just the “scaffolding contractor“) performs the scaffolding erection according to instructions of the Applicant.
 - Any scaffolding shall be technically documented.
 - Prior to the scaffolding erection, the scaffolding contractor is obliged to agree its location at required premises with the Applicant.
 - A completed scaffolding shall be handed over by the scaffolding contractor to the Applicant in form of a record, e.g. in the erection log.
 - A scaffolding contractor is responsible for safe scaffolding erection according to technical documentation and effective regulations, technical reviews completion and removal of found defects and shortages that shall be entered in the erection log. If he cannot remove the defects immediately



during a technical review, he shall inform the Applicant of a need to suspend the works till the defects removal. Defect related information shall be recorded in the erection log.

- After the defects removal, the scaffolding contractor shall provably (by a record in the erection log) inform the Applicant of the defect removal.
- After the scaffolding use termination, the scaffolding contractor shall dismantle it immediately if he is not instructed otherwise by the Applicant.

6. Any work accident of a “person of the Contractor“ shall be immediately reported by a responsible representative of the Contractor to the Applicant and VPd Department – Dispatching Control of TŽ – tel.: 558 532 200. Accident occurrence cause identification, accident recording and measures determination to avoid such accident repeating shall be made by the Contractor in co-acting with the OSHF Representative and professionally qualified person responsible in the filed of risk prevention. Based on a completed investigation of the work accident, he shall make an entry in the assembly log. The Client reserves a right to enter his opinion in the Accident Record of the ”person of the Contractor“. The Contractor is obliged to send a copy of the accident record to the Applicant.

7. The Contractor is aware of the prohibition to use alcoholic drinks and other narcotics at the TŽ area by “persons of the Contractor“, no entry to the TŽ area under the mentioned substances influence, and prohibition to bring them into the TŽ area by ”persons of the Contractor“. A failure to follow the prohibition regarding alcoholic drinks can be found by a breathing test which the “persons of the Contractor” are obliged to be subjected to. A breathing test can be required by representatives of control bodies of the Client and security guardians. If a tested person does not agree with the breathing test finding and states not to have drunk any alcohol, such person is obliged to pass a medical examination aimed to the alcohol content in blood or urine. If a “person of the Contractor“ rejects this examination, a breathing test finding shall be decisive. If a medical examination finding is positive, the Contractor shall cover the blood taking and test cost.

III. Works at Classified Technical (CT) and Determined Technical (DT) Equipments

1. Prior to any CT and DT equipment work commencement by “persons of the Contractor“, the Contractor shall inform of the work extent a main revisions technician of CT equipments from the VYtr –CT Revision and Gas Service. He shall become acquainted with the work extent, its performance method, verify the qualification capability of the work contractor, CT documentation quality and completeness, and determine further comments, if any, to assure the works compliance and related documentation with effective legislation and OSHP at CT and DT equipments related works.

2. Further, the Contractor shall notify sufficiently in advance the appropriate main revision technician of CT equipments of the site and date of the CT and DT equipments testing.

3. A CT and DT equipment working team can only be managed by a person fully responsible for the quality of performed works, observance of prescribed working procedures and occupation safety assurance.

IV. Environment Protection

1. Performing the works and services at the TŽ area, the “persons of the Contractor“ are obliged to follow legal regulations related to the environment protection while the Contractor assumes full responsibility for proper activity performance and obligations meeting in the field by “persons of the Contractors“.

2. The Contractor is obliged to agree with the Applicant in advance provably, i.e. with a written record, the intended use of raw materials, materials, chemical substances and preparations and



working procedures that cause or can cause any environment component pollution provided this use is not included in the contract or project documentation.

3. Further, the Contractor is obliged to cause “persons of the Contractor” to follow specific environment protection conditions as follows:

- a) The use of asbestos and polychlorinated biphenyls including products containing these substances and mixtures (irrespective a content of such substances) and use of silica sand are not permissible;
- b) The Applicant shall be informed in writing of any and all hazardous chemical substances, preparations and their hazardous components that shall be kept after the works or services completion at the TŽ area as a part of the facility or building (protective coats, isolation, machine fillings, etc.);
- c) The Contractor is obliged to arrange proper wastes disposal by “persons of the Contractor” being their producers while the related waste producer obligations include particularly to:
 - Accumulate produced wastes that cannot be immediately used or removed, sorted by types, and protect them against any misuse, theft, release in the surrounding, or in any other undesirable release;
 - Follow prohibitions regarding free combustion of any waste and waste removal by placing it in containers not intended for that purpose;
 - Enter into a short-term agreement with another authorized person for collection of mixed communal wastes (MCW) and sorted MCW components produced during the action execution, if not agreed upon otherwise with the Applicant;
 - Supervise and assume the liability for wastes disposal at the building site, particularly at the area for waste tanks;
 - Arrange removal of any and all produced wastes after the action completion, prior to the site handover, or place of activity (including wastes from packages);
 - Leave wastes of non-ferrous metals and cables to the client if not set forth otherwise by the Applicant;
- d) Steel and cast iron scraps (in the meaning of ČSN 42 00 30) leave the Client at site required by the Applicant if not set forth otherwise by the Applicant;
- e) Follow the order not to discharge waste waters into sewerages and water streams without a prior written consent of the Applicant;
- f) Notify the Applicant of any escape of harmful substances into the terrain, sewerage or water stream.

4. The Contractor shall remove at his own cost any accident consequences impacting the living environment caused by the “persons of the Contractor“; he shall co-act in such accident consequences mitigation, and he shall reimburse related cost to the Client.

5. The Applicant is entitled to carry out environment protection inspection in activities made by the Contractor and “persons of the Contractor“ in a scope hereof. If the conditions are breached by “persons of the Contractors, the Contractor is obliged to provide immediate remedies.

V. Fire Prevention and Serious Accident Prevention

1. Acting at the site or TŽ premises, “persons of the Contractor” are obliged to follow commonly binding legal regulations and internal actions of the TŽ management in the field of fire prevention and serious accident prevention.

2.”Persons of the Contractor“ are obliged to respect control bodies of the Client in the field of fire prevention and serious accident prevention. A position of such control body is taken by the PH Department– Fire Rescue Unit.

3. Responsible “persons of the Contractor“ (technicians, site managers, assembly and erection staff chiefs, masters, foremen) are obliged to pass a training of fire prevention and serious accident prevention at the Applicant site prior to the works commencement. The Contractor is obliged to assure



that any and all “persons of the Contractor” are provably trained at the workplace in the field of fire prevention and serious accident prevention“.

4. “Persons of the Contractor “ meet their duties in the section of the fire prevention at all premises attended by them in order to perform their activities. “Persons of the Contractor “ are obliged to conduct in such a way that they shall not cause any fire or accident occurrence, hazard to life and health of persons, damage to property, or environment impairment.

5. Performing welding works, “persons of the Contractor” shall follow the Decree of the Ministry of Interior No. 87/2000 Coll. Special fire safety measures shall be approved by the PHh Department – Fire Rescue Unit. Acetylene pressure cylinders shall be equipped by a dry unit situated immediately after a reduction valve.

6. In case of any fire or other extraordinary event occurrence (injury, gas poisoning, traffic accident, explosion, escape of substances and preparations, natural disasters, etc.) “persons of the Contractor” are obliged to follow fire alarm directives. They are obliged to report any such occurrence without any unreasonable delay to a control center of the Fire Rescue Unit of the company TŽ (applying a company telephone number 150 or mobile telephone number 558 533 333), inform the Applicant, and VPd – Dispatching Control and Maintenance Methodology (Chief Dispatcher of TŽ) – tel. 558 532 200.

7. The Contractor is obliged to ask the Applicant or directly PH – Fire Rescue Unit, for the approving standpoint to a requirement for establishment, location and operation of any type of building works (site barracks, caravans, etc.), storage premises and other temporary works serving to the “persons of the Contractor“.

VI. Property Guarding and General Inspection

1. “Persons of the Contractor“ are obliged to obey instructions and to be subjected to control bodies of the Client in the field the property guarding and general inspection according to common and internal regulations of TŽ for performance of particular activities. A position of the inspection body of the Client is taken by the PK Department - Inspection. The property guarding is performed by a guarding service provider.

2. The Contractor is obliged to cause the “persons of the Contractor “acting at the TŽ area to meet the following obligations, particularly:

a) It is permitted to enter (arrive) the site (TŽ area) as well as to leave (departure) it exclusively at places intended to these purposes that are controlled by the authorized guarding service provider of the Client.

b) Prior to works commencement at the Client site, the Contractor shall agree access permits for the guarding service provider from the Client at the Access Permit Section (main gatehouse), tel. number 558 532 046, particulars regarding the TŽ area permit for “persons of the Contractor“. An application for the access permit for a period not exceeding 14 calendar days shall be submitted by the Contractor on a prescribed form which template forms the **Annex No. 1 hereto**, while he is obliged to follow procedures defined in the attached Instruction. The application shall be submitted by the Contractor also for any his contractual supplier and “persons of the Contractor“ performing works for this contractual supplier, most usually individually for each contractual supplier. This does not exclude, however, a possibility of the access permit gaining for respective works individually by any person providing works or services on behalf of the Contractor at the TŽ area. However, a respective access permit applicant shall always assume the responsibility for stay rules observance at the TŽ area by all “persons of the Contractor“ listed in the application, for their whole duration at the TŽ area. If the activity performed by “persons of the Contractor“ at the TŽ area needs a term exceeding 14 calendar



days, the Contractor negotiating the access permit shall proceed according to the internal regulation of the Client - PPO TŽ-PK-37/02. The Client is entitled not to permit the access to the TŽ area to “persons of the Contractor“ whom the access is forbidden to, or who convicted some criminal acts (repeated offences) at the Client property, as well as to persons whose participation in the activity performance on behalf of the Contractor cannot be deducted from the Article VIII. hereof.

c) If “persons of the Contractor“ bring (deliver) some material or tools at the TŽ area, they are obliged to present them at a site intended to the access (arrival) to workers of the guarding service provider. In case “persons of the Contractor“ need to take in materials or tools into the TŽ area in order to perform works or services, they are obliged to inform themselves of a respective procedure at the internal section of the material removal permitting of the guarding service provider, tel. number 558 537 336.

d) Any “person of the Contractor“ is obliged to document bringing (delivery) of assembly tools to the TŽ area in form of a detailed list of items made in three counterparts, including production numbers of the tools and assembly means designated by them. The list shall always include designation of a respective “person of the Contractor“ and storage place at the area of TŽ.

e) A list of tools, assembly means and materials delivered by road motor vehicles into the TŽ area shall be submitted in three counterparts to the guarding service provider that shall provide the list by the entrance date of the shipment delivery to the Client. One counterpart shall be kept by the guarding service provider, one of them by the Applicant, and one shall be kept by the applying “person of the Contractor“. Such stamped list is an initial base for issuing a proper document for tools, assembly means or remaining materials removal from the site after completion of the action, while the applying “person of the Contractor“ is obliged to follow internal regulations of the Client valid for such items passing through the gates. Without this list or documentations and proofs of origin of delivered items, the tools, assembly means or materials shall not be permitted to enter the TŽ area or leave it. Following the work termination, the Applicant shall confirm the applying “person of the Contractor“ the quantity of the materials used at the area of the Client. Cases of delivered and taken tools, assembly means or materials by a railway siding shall be settled in the Agreement of TŽ Railway Siding Use.

f) The Contractor undertakes to cause the “persons of the Contractor“ to follow material movement rules set forth by the Client.

g) “Persons of the Contractor“ are entitled to arrive into the TŽ area assembly means or other material exclusively in the quantity and extent defined in the project documentation for a respective investment action, or in the quantity and extent necessarily needed for their proper activity performance.

h) The Contractor is obliged to cause that any and all available measures shall be adopted at buildings used by “persons of the Contractor“ to protect any stored items or materials against theft.

i) In case of any damage to the property of a “person of the Contractor“, the aggrieved party and Contractor are obliged to report this fact without any unreasonable delay at time of 6.00 to 14.00 in business days to a section of the operative team of the guarding service provider, tel. number 558 533 046, or at any other time to the dispatching station of the guarding service provider, tel. number 558 535 288.

3. A “person of the Contractor“ can establish and locate his own site barrack at the TŽ area only subject to a prior approved written request. A requirement for the barrack location is subject to approval, together with its operation conditions determination by a respective site authority. Such request shall be added by an approving standpoint of the PH Department – Fire Rescue Unit. In the request as well as on the barrack, the applying person is obliged to present a name of the action which the barrack is to be built for, designation of the “person of the Contractor“, his ID and telephone number of the “person of the Contractor“ responsible for its use, its location period at the TŽ area, description and production number. No advanced delivery of undesignated barracks shall be allowed by the guarding service provider. A barrack removal from the site after the work completion can be execute during business hours from 6:00 to 14:00 at presence of a representative of the internal control



section for material removal from the site of the guarding service provider, or at any other time at presence of a shift head of the guarding service provider.

4. Site temporary works and equipments of workplaces of the Contractor as well as other buildings at the TŽ area are controlled by mobile guardians of the guarding service provider. If the guarding service provider or control body of the Client finds any shortages in the Contractor person's property security, the Contractor or appropriate "person of the Contractor" shall be called to make an immediate remedy.

5. The Client is not liable for damages incurred due to insufficient protection to the property of the Contractor or "persons of the Contractor" performing works or a services at the TŽ area.

6. A "person of the Contractor" is entitled to agree otherwise at the internal control section in relation to the material removal from the site any particulars regarding the tools, assembly means and materials delivery, tel. no. 558 537 336 providing such person will establish or already has established a storage site at the Client served by an employee with material responsibility.

7. The Contractor understands that provided a "person of the Contractor" commits a property delinquency to the detriment of the Client or other entities acting at the TŽ area, such delinquency shall be always considered to be a substantial breach hereof.

8. The Contractor is liable for that "persons of the Contractor" allow control bodies of the Client to carry out physical inspection of items held by the "persons of the Contractor" at the area of TŽ and at sites intended to access (arrival). This obligation applies to "persons of the Contractor" also when entering (leaving) the TŽ area, including their obligation to be subjected to a personal check. Further, the Contractor is liable for that "persons of the Contractor" allow the control bodies of the Customer to carry out checks at their presence to find if the items provided by the Client are used properly.

VII. Conditions for Connection in the TŽ – MS Computer Network

1. The Client as the TŽ - MS computer network operator and user (herein the "operator") reserves a right for setting his appropriate network safety policy specification by identification of safety enforcing functions and implementation of additional safety mechanisms, definition of acts, rules and practices determining safe conduction in the TŽ - MS computer network and related provided applications. In this chapter, the term **User** means a "person of the Contractor" using the TŽ – MS network.

2. The user undertakes not to:

- a) Load computer viruses and Troy horses in the TŽ - MS computer network;
- b) Misuse the system for unauthorized access to not own information sources;
- c) Provide services operated at the TŽ – MS computer network to third parties, either onerously or not;
- d) Use the modem connection without approval from the operator; in case of a requirement for access to external computers and computer networks, the User shall ask in writing the TŽ - MS network operator for connection, defining a type of a homologated modem, number of telephone which the modem is connected to, and operated applications. The current modem connection already used for connection to external entities shall be notified by the User in writing to the address of the operator; Only one defined modem gate in the TŽ-MS network administered by the operator is used for modem connection in the TŽ - MS network; any other way of modem connection in the TŽ - MS network is forbidden;
- e) Establish any other way of connection to external network – the only connecting channel between the TŽ-MS data network and external networks is defined for the TŽ-MS network;



f) A VPN service – remote access is defined for access in the TŽ-MS computer network from external computer networks and means.

3. The User is responsible for development or maintenance procedures applied to protect his programs and data, and for support and reconstruction of lost data, programs and procedures.

4. The Client is not liable to the User for any losses or changes in programs or data of the User or their acquiring by another party save such cases when the Client fails to implement safety procedure aspects controlled by the Client.

5. The User is fully responsible for any and all operations carried out from his terminal devices. The User is obliged to secure the identification, password as well as his own computer against any misuse by unauthorized persons. In this sense, he is obliged to instruct all his end users.

6. The TŽ - MS network operator is entitled to adopt technical and organization measures in relation to the network operation and development. By such measures, he implements his own intentions or intentions of advanced legal effects measures binding according to a respective organizational position of the operator, decision of a permitting body, or commonly binding legal standards.

7. A Lotus Notes licenses are the ownership of the Client and their use by external users is only permissible based on a contract.

8. SAP licenses, if used by users, shall be bought by the users at the company SAP ČR.

9. Any request for a change in the connection way, usage of network, data or application services shall be reported by the User to the operator in advance.

10. In case of any above mentioned conditions breach by the User, the operator shall be entitled to:

- Disconnect the User from the network,
- Claim a contractual fine in the amount of $w \times \text{CZK } 20,000.-$ (w is a number of connected computers at time of the respective trading contract conclusion with the User), however, CZK 100,000.- as minimum,
- Claim reimbursement of provable losses exceeding the contractual fine amount.

11. If the User wishes to use some central applications, he shall ask the operator for accesses to them and consequently follow end user principles described in PPO IF- 38/01 Operation, Use and Treatment of SW and Data in IF, and in the Annex hereto.

VIII. Subcontractors of the Contractor

1. A basic subcontractors chart of the Contractor valid as to the date of a respective trading agreement is presented in the Annex No.2 to these Basic Conditions forming, after its approval by the Client and Contractor, an integral part of the respective trading agreement provisions. The Contractor is not entitled to amend this basic subcontractor chart without a prior consent of the Client in writing, if not agreed upon otherwise herein.

2. Instead of subcontractors specified in the basic chart, particular works can also be provided by other entities from a list of subcontractor portfolio presented in the Annex No. 2 – such entity involvement in particular activities performance shall be reported by the Contractor to the Client in advance in form of an entry in the building (erection log), including description of their activity and responsible person.



3. The Contractor is obliged to assure that works and services for the Client shall be exclusively provided by persons specified in the Annex No. 2 hereto approved by the Client, if not agreed upon otherwise with the Client in advance, irrespective a contractual relationship type based on which such activity is performed by the subcontractors and whom they are liable to for their activity performance, i.e. irrespective a subcontractor level in relation to the Contractor of such works or services performance for the Client.

IX. Sanctions Due to the Obligations Breach

1. The Client is entitled to claim a contractual fine up to the amount of CZK 20,000.- for any particular breach of obligations following hereof by the Contractor. In relation to the Article I. Par. 2 hereof, the Client is entitled to apply sanctions to the Contractor also provided some obligation is breached by any of the “persons of the Contractor“.

2. A contractual fine is due and payable in a term of 15 days from delivery of a written request of the Client to the Contractor, if no another term is specified in the request.

3. Subject to a prior written notice, the Client is entitled to withdraw from any contract based on which works or services are provided to the Client by the Contractor in case of any breach of obligations by the Contractor following from the Basic Conditions.

4. The Client is entitled not to permit access or arrival to the TŽ area to any “person of the Contractor” who breaches any of obligations hereof, and is entitled to withdraw such person and Contractor the access or arrival permit to the TŽ area provided such breach occurred in arrival or departure of the respective transport means or use at the TŽ area. The Client is obliged to inform the Contractor of such measures in form of an entry in the building (erection) log in a business day following such measure adoption at the latest.

5. Special sanctions shall be applied in case of additional reveal of unlawful wastes placement/removal that could not revealed upon the work or service acceptance (e.g. filling during ground shaping). The Contractor is obliged to remove such wastes additionally at his own cost and within a defined time limit. If he fails to do so, the Client is entitled to remove such wastes at the cost of the Contractor. If a deadline for the wastes removal is not met, the Contractor is obliged to cover a contractual fine of CZK 500.- for each day of delay.

6. A point based payment shall be charged to the Contractor for any Basic Conditions breach in accordance with TOP TŽ-06/02 (Item 5.3.3 c).





X. Final Provisions

1. The present “Basic Conditions” enter into the efficiency as of 01. 12. 2009.

2. Obligations of the Contractor from the "Basic Conditions" become extinct as to the date of work or service performance completion to the Client except when the obligatory relationship from the contract on work or service providing continues because of a complaint lodged by the Client. Obligations or rights hereof not bound to the work or service providing term shall survive also after the works completion.

3. The Contractor is obliged to make acquainted any and all “persons of the Contractor” with the present Basic Conditions“.

4. Important telephone numbers at the TŽ area:

- Rescue Service, ambulance, fire reporting, extraordinary event 150, from a mobile phone 558 533 333
- VPd – Dispatcher Control and Maintenance Methodology (Main Dispatching Room) 558 532 200, 32 208
- OSHP Representative BOZ 558 532 114
- PK - Control 558 532 105
- Moravia Security, a.s. 558 537 402, 558 532 330, 558 535 288
- PH – Fire Rescue Unit 558 532 333, 558 532 211
- VYtr – HVAC revision and gas intervention service 558 535 607, 558 535 211
- ENVIFORM, s.r.o. 558 535 077

5. The following Annexes form an integral part hereto:

No. 1 – Application for Entrance/Arrival Permit to the TŽ, a.s. Area

No. 2 – Basic chart of subcontractors