

**1. General provisions**

- 1.1. Terms and Conditions of 3 P, spol. s r.o. (hereinafter referred to as "TC") contain general provisions concerning implementation of individual contracts for work, entered into by 3 P, spol. s r.o. as the contractor, and regulate rights and duties of contracting parties in detail.
- 1.2. These TC shall apply to regulation of contractual relations in case they are referred to in a particular price quote of 3 P, spol. s r.o. or in a contract for work (hereinafter referred to as the "Quote" or the "Contract"). The TC shall apply in the above cases except where different regulation of rights and duties of contracting parties follows from the Quote or the Contract. In such case the TC shall be used in the extent not expressly covered by the Quote or the Contract.

**2. Quote (conclusion of Contract)**

- 2.1. The proposal for a Contract may be in the form of a Quote. The delivery of the Quote to the other contracting party is a proposal for the Contract. The Quote must be made in writing and delivered to the other party by mail, data box, e-mail, fax or personal handover to the person authorized to act on behalf of the other party. If the parties communicate by e-mail, the client undertakes to send notices to the e-mail address 3P@3P.cz. The content of notices sent to a different address shall not be binding upon the parties.
- 2.2. The client acknowledges that it expresses agreement with these TC by accepting the fact that 3 P, spol. s r.o. shall commence the performance of the work according to the confirmed order or acceptance of the Quote.
- 2.3. The contractual relation, or the Contract, shall be established at the moment of unreserved acceptance of the Quote by the client, delivered to 3 P, spol. s r.o. in the manner under par. 2.1. hereof and confirmed by the client's signature or by its signature plus an imprint of its stamp, this in the period mentioned in the Quote. In the event that the client does not unreservedly accept the Quote, the contractual relation shall not be established. In case the client adds its counterproposals to the Quote or the draft Contract, the contractual relation shall be established only after 3 P, spol. s r.o. confirms such counterproposals.
- 2.4. The contractual relation may also be established on the basis of oral agreement, including telephone conversation, whereby the client agrees with the application and content hereof. The contracting parties undertake to confirm such oral arrangements in writing within 30 days in the manner under par. 2.1. and 2.3. hereof.
- 2.5. The client undertakes to enter into any acts through its authorized persons. In case persons that are not expressly specified in the Contract for Work act on behalf of the client, their acts shall be binding upon the client. The client may be relieved of its liability

only in case it stipulates in the Contract for Work that only the persons specified in the Contract may act on its behalf.

- 2.6. The work of 3 P, spol. s r.o. shall be specified through a description, drawing or visualization in the Quote.
- 2.7. After conclusion of the Contract for Work under paragraph 2.1. TC, the client shall be entitled to withdraw from the Contract for Work only until 3 P, spol. s r.o. begins with the implementation of the work. In such case, the client shall be entitled to the refund of the entire advance deposit.

**3. Subject of Contract**

- 3.1. The subject of the Contract shall be the obligation of 3 P, spol. s r.o. to perform the ordered work at its own expense and risk and under the stipulated conditions and the obligation of the client to accept the completed work duly and in time and to pay the contractual price to 3 P, spol. s r.o. 3 P, spol. s r.o. shall not be liable for procuring the permit to mount the sign (service etc.) to the place chosen by the client. 3 P, spol. s r.o. shall not guarantee the stability of foundations, structures and carriers of the signs (services etc.) that it has not implemented nor for the structural stability of the buildings bearing the signs unless stipulated otherwise in the Contract.
- 3.2. In the event that it is ascertained during the performance of the work that extra works must be performed or other things for the completion of the work must be supplied, which are not mentioned in the accepted Quote or in the concluded Contract for Work, such extension of the work shall be the subject of the amendment to the Contract or a new Contract shall be concluded.
- 3.3. If it is agreed in a particular Contract for Work that all the material or its part necessary for the implementation of a concrete contract shall be procured by the client, the client is obliged to duly hand over such material to 3 P, spol. s r.o. promptly after it confirms the written Quote; it is agreed that in such case the period for the implementation of the concrete contract shall commence since the moment of a written confirmation of the receipt of all such material by 3 P, spol. s r.o. from the client. The price of the concrete contract stipulated in the Contract for Work shall not be reduced by the price of such material. Should the client fail to deliver 3 P, spol. s r.o. all the material necessary for the implementation of the concrete contract that is to be procured by the client within two calendar days of the client's confirmation of the written Quote of 3 P, spol. s r.o., 3 P, spol. s r.o. shall be entitled to procure such material at the client's expense and the client shall be obliged to settle to 3 P, spol. s r.o. the price of such material and costs of 3 P, spol. s r.o. connected with procurement of such material, beyond the price of the concrete contract stipulated in the Contract for Work, all this in the amount

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charged by 3 P, spol. s r.o. and within the period of maturity of the invoice issued by 3 P, spol. s r.o. containing the breakdown of such price and costs. As the case may be, 3 P, spol. s r.o. shall, without undue delay, notify the client of unsuitability of things taken over from the client in the course of the work execution, it shall communicate the nature of defects to the client and agree on the alternative manner of work execution with the client. In such case, the deadlines for the execution and handover of the work shall be postponed accordingly and 3 P, spol. s r.o. shall set a new date for the work completion. 3 P, spol. s r.o. shall not be liable for defects or impossibility to complete the work due to unsuitable things or instructions obtained from the client, in case the client insisted on their use in the process of execution of the work despite having been warned of their unsuitable nature in writing or personally. In the event that the work cannot be completed as a result of unsuitable material supplied by the client, 3 P, spol. s r.o. is entitled to the payment of 50% of the price stipulated in the concrete Contract for Work or in the case of performance of a part of the concrete contract to the payment of the amount corresponding to the part of the contract already performed by 3 P, spol. s r.o.

- 3.4. In case that the product is produced on the basis of technical drawings or static calculation made by Orderer only the Orderer is responsible for correctness of documentation, statics and the technical solution of the product.
- 3.5. The client undertakes to ensure such conditions to 3 P, spol. s r.o. that the completed work may be mounted in the place determined by the contracting parties. Should this duty be breached, 3 P, spol. s r.o. shall not be in delay, shall not be liable for any damage caused by the client's breach of duty and shall determine a new date for the work completion.
- 3.6. The client shall ensure sufficient construction readiness and provide project documentation of construction readiness to 3 P, spol. s r.o. promptly upon the execution of the Contract for Work. Should the client fail to provide 3 P, spol. s r.o. with documents necessary for the performance of the concrete contract, which are to be procured by the client within two calendar days of the date of confirmation of the Quote by the client under the concrete Contract for Work, 3 P, spol. s r.o. shall be entitled to procure the documents at the client's expense and to postpone the deadline for the performance of such a contract by the number of days in which the client is in delay with the provision of the documents. Should the client fail to provide the documents, the contractual price shall be added extra costs necessary for the successful assembly, and 3 P, spol. s r.o. shall be entitled to set a new date for the work performance. In such case, the client is obliged to settle the extra

costs invoiced.

Unless stipulated otherwise in the Contract for Work, the client shall ensure sufficient parking space for free parking of vehicles of 3 P, spol. s r.o. Should the client fail to meet this obligation, it shall pay any and all costs of parking to 3 P, spol. s r.o. or, as the case may be, 3 P, spol. s r.o. may refuse to mount the work. If such an event occurs, the place of the work handover shall be the workplace specified in par. 5.2. hereof and the work shall be deemed properly handed over.

Unless stipulated otherwise in the Contract for Work, the client shall ensure access to the place of assembly on the assembly day and in case the assembly lasts more than one day it shall provide space for free storage of the work that has not been mounted.

- 3.7. Unless stipulated otherwise in the Contract for Work, the client shall procure the documentation of the actual design of base anchors, concrete foundations and readiness of the supporting structure for attaching the signage, and shall hand over the documentation of the attachment to 3 P, spol. s r.o. promptly after the execution of the Contract for Work. Should the client fail to provide 3 P, spol. s r.o. with documents necessary for the performance of the concrete contract, which are to be procured by the client within two calendar days of the date of confirmation of the Quote by the client under the concrete Contract for Work, 3 P, spol. s r.o. shall be entitled to postpone the deadline for the performance of such a contract by the number of days in which the client is in delay with the provision of the documents. Should the client fail to provide the documents, the contractual price shall be added extra costs necessary for the successful assembly, and 3 P, spol. s r.o. shall be entitled to set a new date for the work performance. Unless stipulated otherwise in the Contract for Work, the assembly works shall be performed in the maximum height of 3 meters from the ground to the lower edge of the sign. If the assembly height is bigger, the contractual price shall be added extra costs necessary for the completion of the work. In such case, the client is obliged to settle the extra costs invoiced. Unless stipulated otherwise in the Contract for Work, the signage shall be mounted onto standard bearing materials, particularly concrete, brick, panel, etc., and not the non-bearing materials, especially Siporex, plasterboard, glass, porous concrete, etc. This supporting surface shall not be covered with decorative and insulation materials, especially ceramics, granite, marble, polystyrene, etc. If this condition is not fulfilled, the contractual price shall be added extra costs necessary for the completion of the work. In such case, the client is obliged to settle the extra costs invoiced.

- 3.8. The client shall ensure the electrical connection in the place of the sign assembly including the

revision report on the electrical connection; such connection shall be in the distance not exceeding 3m from the signage. The client shall deliver to 3 P, spol. s r.o. a revision report on the electrical connection at least 1 week prior to the assembly. Should the client fail to provide the revision report

- 3.9. spol. s r.o. shall be entitled to invoice the part of the work excluding transport and assembly. The circuit breaker and supply cable must always be designed adequately to the signage power input. The signage power connection must be protected by a circuit breaker of type C or D. The client shall ensure the protection against lightning and overvoltage protection according to ČSN EN 62305-1 to 5. If these conditions are not fulfilled, the contractual price shall be added extra costs necessary for the completion of the work. In such case, the client is obliged to settle the extra costs invoiced.
- 3.10. The client shall procure all permits necessary for the assembly. Extra costs arisen due to failure to provide such permits or due to ban on assembly issued by local authorities shall be settled by the client to 3 P, spol. s r.o. in full. In such case, the client is obliged to settle the extra costs invoiced.
- 3.11. In case the subject of delivery is an illuminated totem, the client shall prepare concrete foundations for anchoring the totem prior to the beginning of assembly. The drawing of the foundations layout and the template for foundation bolts form an annex to the Contract for Work. Extra costs arisen due to failure to procure such works or disabling the assembly because of unsuitable foundations shall be settled by the client to 3 P, spol. s r.o. in full. In such case, the client is obliged to settle the extra costs invoiced. If the signage is mounted on plasterboard walls, the client shall ensure that the walls are reinforced by a supporting structure.
- 3.12. Stretching of the vinyl face during the assembly can be performed at the outside temperature of at least 5°C. Gluing to any surface can be done only if outside temperature is between 3°C to 30°C. In case weather conditions do not conform to the above values, the date of work completion shall be postponed by the period of such adverse weather conditions.
- 3.13. 3 P, spol. s r.o. is not liable for delay caused by circumstances outside its will, i.e. particularly force majeure.
- 3.14. 3 P, spol. s r.o. shall procure material for the execution of the work, unless stipulated otherwise in the concrete Contract for Work.

#### **4. Reservation of ownership right**

- 4.1. The ownership right to the work shall pass on to the client by full settlement of the price of the work. Liability for damage shall pass on to the

to 3 P, spol.s r.o. in the above period, the contractor shall be entitled to refuse commencing the assembly without being in delay with fulfillment. In the event that the client's delay with the revision report is longer than two weeks, 3 P,

client by the handover of the work. Damage to the work arisen after the handover shall not affect the client's obligation to pay the stipulated price of the work. Should the client fail to settle the final invoice, 3 P, spol.s r.o. shall be entitled to dismount the work at the client's expense and remount it after the settlement of the invoice and costs of 3 P, spol. s r.o. connected with dismounting and remounting the work.

#### **5. Handover and takeover of work**

- 5.1. The acceptance certificate shall be drawn up on the handover of the work to the client; 3 P, spol. s r.o. is entitled to refuse the handover prior to the settlement of the invoice with maturity before the work completion. In such an event, 3 P, spol. s r.o. shall not be in delay with the handover of the work and shall not be liable for potential damage. The client undertakes to take over the subject of the work also in case the work shows minor defects and arrears of work, which however do not prevent its use, whereby the work is deemed handed over. The defects and arrears of work concerned shall be summarized in the acceptance certificate with the manner and date of their remedy. The remedy of such defects and arrears of work shall be performed by 3 P, spol. s r.o. at its expense. The occurrence of minor defects and arrears of work which do not prevent due use of the work shall not affect the right of 3 P, spol. s r.o. to issue the final invoice.
- 5.2. The client shall take over the work in person or through an authorized person specified in the Contract for Work on the date communicated by 3 P, spol. s r.o. well in advance, and it shall confirm the handover and takeover in the acceptance certificate. Unless stipulated otherwise in the Contract for Work, the place of handover shall be the premises of 3 P, spol. s r.o. at the address: U Žel. Mostu 373, 675 71, Náměšť nad Oslavou. In case it is agreed in the Contract for Work that 3 P, spol. s r.o. shall perform the work and transport it to a certain place, this obligation of 3 P, spol. s r.o. shall be fulfilled by transporting the work to the place agreed in the Contract. The place of handover shall be the place where the work was transported by 3 P, spol. s r.o. according to the concrete Contract for Work. Should the client fail to take over the work although it was duly completed and prepared for handover by 3 P, spol. s r.o., or if the client refuses to take over

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- the work, the work shall be deemed accepted by the client as of the day when the client thwarted the handover by its action or lack of action, i.e. as of the date which was determined for the handover in the call. The client is entitled to refuse to accept the work only in case the defects and arrears of work prevent its use.
- 5.3. Unless stipulated otherwise, 3 P, spol. s r.o. is entitled to claim the relevant partial prices of the work after completion of a partial delivery.
- 5.4. Unless specified otherwise in the Contract, the maturity of invoices shall be 14 days of the date of issue.
- 6. Price of work and payment terms**
- 6.1. The price of the work is agreed according to the Quote or Contract for Work and it may be changed only by an amendment to the Contract for Work or by concluding a new Contract.
- 6.2. The prices are quoted VAT exclusive. VAT shall be added under legal regulations applicable at the time of fulfillment.
- 6.3. The client undertakes to settle the price of the work as well as extra costs related to the work performance. 3 P, spol. s r.o. is entitled to suspend execution of the work for the period of the client's delay with settlement of an overdue invoice to 3 P, spol. s r.o. The deadline for the work handover shall be postponed by that period. The deadline for the work handover shall also be postponed by a period for which the work could not be performed for reasons on part of the client or for reasons arisen outside the will of 3 P, spol. s r.o., which hinder the work completion and handover.
- 6.4. Any delay with settlement of the invoiced amounts is a substantial breach of the Contract, and 3 P, spol. s r.o. is entitled to withdraw from the Contract with immediate effect as well as to withdraw from any other contracts concluded with the client or it is entitled to refuse to provide fulfillment ensuing from other contracts until the settlement of all the mature receivables including interest.
- 6.5. In the event that the client fails to take over the work or disables delivery of the work on the agreed date, 3 P, spol. s r.o. shall be entitled to invoice 100% of the price of the work to the client.
- 6.6. In the event that the client fails to take over the work it shall be obliged to pay storage fees to 3 P, spol. s r.o. in the amount of CZK 50 / day / 1 m<sup>2</sup> of storage area.
- 7. Warranty period, quality guarantee and liability for defects**
- 7.1. 3 P, spol. s r.o. is liable for defects of the work occurring at the time of handover with the exception mentioned in par. 3.3. hereof.
- 7.2. The warranty period for the work is 24 months (6 months for fluorescent lamps) of the work handover, if not stipulated otherwise, and shall commence on the day following the date of handover of the work to the client.
- 7.3. 3 P, spol. s r.o. undertakes to provide the quality guarantee for the work handed over to the client.
- 7.4. 3 P, spol. s r.o. shall not be liable for defects caused by unprofessional action of the client.
- 7.5. 3 P, spol. s r.o. is obliged to remedy the defect ascertained within the warranty period free of charge. The client is obliged to claim defects of the work in writing without undue delay after it ascertains the defect.
- 7.6. 3 P, spol. s r.o. is not obliged to remedy defects until the client settles all due liabilities related to the execution and assembly of the work.
- 7.7. In the event that the client disobeys operating regulations for the signage, delivered to the client together with the invoice, a warranty claim may not be asserted.
- 7.8. If a defect not covered by warranty is detected during the repair, or a defect caused by unauthorized interference, although unintentional, with the work is detected, or if the defect was caused by a natural disaster, namely earthquake, flood, lightning, wind greater than 20.7 m/s, hail, explosion, landslide, etc., all costs related to the repair shall be borne by the client who is obliged to settle the invoiced costs.
- 8. Contractual penalties**
- 8.1. In the event of the client's delay in payment of the price of the work, the contracting parties agree on a contractual penalty amounting to 0.05% of the outstanding amount for each commenced day of delay. The client shall pay the contractual penalty to 3 P, spol. s r.o. pursuant to a special invoice.
- 8.2. If the subject of a concrete contract is a tangible result of the activity of 3 P, spol. s r.o., which is protected by industrial or other intellectual property, the client is entitled to use such a tangible result only for the purpose and to the extent ensuing from such Contract for Work. The client is entitled to use such a tangible result of the activity of 3 P, spol. s r.o. for other purposes or to different extent only upon prior written consent of 3 P, spol. s r.o.
- 8.3. All the information provided by the 3 P, spol. s r.o. to the client in the course of performance of a concrete contract based on a specific Contract for Work and required for the manufacture of the subject of the concrete contract may be used by the client for the manufacture thereof by a third natural or legal person, by itself or through a third party, or may be used by the client for enabling a third natural or legal person the

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manufacture of such subject of a concrete contract only upon prior written consent of 3 P, spol. s r.o. If a concrete contract includes graphic design for the manufacture of a specific product or if the subject of the concrete contract contains only the manufacture of a sample or samples of a specific product, the client shall be entitled to manufacture the specific product(s) by itself or through a third party at another natural or legal person, or enable a third party the manufacture of such specific product(s) only upon prior written consent of 3 P, spol. s r.o. and provided that the client has duly and in full paid the price for the performance of such concrete contract to 3 P, spol. s r.o.

- 8.4. In the event of breach of any obligation mentioned in par. 8.2. and 8.3. hereof, 3 P, spol. s r.o. and the client stipulate the client's duty to pay the contractual penalty of CZK 100,000 (in words: one hundred thousand Czech crowns) for each case of breach of the above obligations of the client, while the settlement of the contractual penalty shall not affect the right of 3 P, spol. s r.o. to the compensation for damage caused by the client to 3 P, spol. s r.o.

### 9. Other provisions

- 9.1. In accordance with Act No. 216/1994 Coll., the contracting parties agree that all their disputes arisen from this contractual relation or in connection therewith shall be decided in the arbitration before one ad hoc arbitrator, Mgr. Tereza Vašíčková, license of Czech Ministry of Justice No. 492. The plaintiff shall deliver the action to the address Brno, Cejl 91, post code 602 00. This is the mailing address of the arbitrator and the venue of arbitration. The contracting parties agree that the arbitration fee is a judicial cost and corresponds to the sum of six thousand Czech crowns and one and a half multiple of the court fee that would be collected for the proceedings before general courts of the Czech Republic under the applicable laws; this up to the value of the dispute of one million Czech crowns. If the value of the dispute is higher, the arbitration fee shall be increased by the relevant amount of the court fee from the exceeding amount. VAT shall be added to the total amount of arbitration fee. In the case of disputes with the international element, the arbitration fee shall be increased by one half, and if the arbitration includes more than two participants, the fee shall be increased by one fifth for the third and any other participant. The method of calculation of the arbitration fee shall apply also to the claim asserted as a counterclaim or set-off objection in their entirety. Special acts within the arbitration proceedings may be charged according to real costs. The entitlement of the arbitrator to the

payment of fee shall not expire by the suspension of proceedings; the settled arbitration fee shall not be refunded. The contracting parties authorize the arbitrator to conduct the proceedings in the Czech language, in writing and without hearing, to decide according to the principles of justice, to issue the award without reasoning, and they agree that she may authorize third parties to perform administrative and economic tasks within the arbitration, in particular Unie pro rozhodčí a mediační řízení ČR, a.s., with its office at the address of the arbitration venue, and the contracting parties relieve the arbitrator of obligation of secrecy to that extent. The contracting parties agree that the provisions of the CPC concerning delivery shall apply accordingly, deposit at the court shall be replaced by deposit at the arbitrator and posts on the official court noticeboard shall be replaced by posts at the website: [www.urmr.cz/vyvesni-deska](http://www.urmr.cz/vyvesni-deska).

- 9.2. 3 P, spol. s r.o. and the client undertake to resolve disputable issues arisen in connection with the performance of the Contract for Work preferentially by amicable settlement.
- 9.3. 3 P, spol. s r.o. and the client concordantly stipulate the right of 3 P, spol. s r.o. to unilaterally withdraw from a concrete Contract for Work in case the client breaches any of its obligations mentioned in these TC and in the Contract for Work. If 3 P, spol. s r.o. becomes entitled to withdraw from a concrete Contract for Work under this Article, it shall promptly notify the client thereof in writing. In this case, the withdrawal of 3 P, spol. s r.o. shall become effective as of the day of delivery of the above notice to the client.
- 9.4. 3 P, spol. s r.o. and the client hereby stipulate the entitlement of 3 P, spol. s r.o. to use the subjects of concrete contracts performed by 3 P, spol. s r.o. for the client pursuant to concrete Contracts for Work and the client's identification data for the purpose of presentation of 3 P, spol. s r.o. toward third natural and legal persons, even after the cooperation of both parties ends.
- 9.5. 3 P, spol. s r.o. and the client concordantly stipulate that all legal relations between 3 P, spol. s r.o. and the client established pursuant to concrete Contracts for Work mentioned in Article 1 hereof shall be governed by Act No. 89/2012 Coll., Commercial Code, as amended.
- 9.6. The client declares that these TC correspond to its free and serious will and were not concluded under duress or obviously unfair terms.
- 9.7. These TC shall become fully valid and effective as of the date when the client expresses its approval of their content and in witness whereof affixes its own signature or the

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signature of its statutory body specified herein  
below.

Date: 18 April 2014