

Business Conditions AXIOM PROVIS Int., s.r.o. valid from 1. 2. 2019

Art. 1. Definitions of Concepts

1.1 Definition of Priorities:

“Hot Spot” – A selected request assigned by the Customer, the solution of which the Customer prefers to any other request, within a shorter response time but for an increased fee (price). Each Hot Spot request must be reported to helpdesk@axiomprovis.cz e-mail address, or right to the Provider’s Help Desk application using www.axiomprovis.cz website, and confirmed at the Provider’s Hot Line at the same time. A Hot Spot request is priced at the rate given in the price list, or the surcharge for the solution of Hot Spots is included in the lump sum fee (depending on the alternative chosen by the Customer). The definition of the content of the Hot Spot priority is identical to that of the High priority.

“High” – A priority where the Customer’s business processes are seriously endangered, with an impact on the work of a large number of AS users, without any alternative solution, or where some or all parts of AS supporting the Company’s main processes have failed and are completely non-functional, or their functionality is so restricted that the information support to the Customer’s activities is critically impacted (e.g. it is impossible to log in to the system etc.).

“Medium” – A priority which, if unresolved, has or will have an impact on AS users. The impact of a Medium priority can be accepted within a limited period of time, or an alternative solution may exist (e.g. a tax voucher cannot be printed but it is possible to fill in receipts manually for some time).

“Low” – A priority with minimum or no impact on the Customer’s supported processes in relation to AS, or a request which is not of the High or Medium priorities.

1.2 “Help Desk application” – Provider’s service to receive and register all requests (incidents, service requests and change requests) of the Customer. It is the register of requests.

1.3 “Hot Line” – Provider’s phone line for phone consultations regarding AS for the Customer and for Hot Spot requests confirmation.

1.4 Definitions of Request:

“Request” – A request means an incident, a service request, or a change request registered in Help Desk application.

“Incident” means defective AS functionality – a defect (of the work done, of a request realized), the repair which is not charged, except for Hot Spot priority.

“Service Request” means any order from the Customer regarding AS which is classified as a paid

request (data modification, analysis of data disproportion, phone consultation, training etc.).

“Change Request” means any order of change in AS from the Customer.

1.5 Definitions of Help Desk States:

„New“ (Nový) – State of the request when created or when there is a change in the state of the request (see Waiting state) on the part of the Customer. It is the Provider who is responsible for a request having this state.

„In progress“ (Probíhající) – A request which is currently being processed. It is the Provider who is responsible for a request having this state.

„Waiting“ (Čekající) – A request which is waiting for the Customer’s comment. After the Customer expresses his comment, the state must be changed into Resolved (in case of ticket completion) or New (in case of information supplementary, budget approval, returning of tested ticket with comments, etc.). It is the Customer who is responsible for a request having this state.

„Resolved“ (Vyřešený) – A request solved by the Provider. Customer cannot edit the ticket in this state. If needed, Customer will create new ticket.

„Closed“ (Uzavřený) – The state of a request which was invoiced. This status is valid only for Service Requests or Change Requests, which were agreed for Invoicing.

1.6 “Confirmation protocol” – A document which may confirm the realization of a service beyond the scope of confirmation within the Help Desk application.

1.7 “Extended Services” means services beyond the scope contracted in the Service Contract, which the Provider may provide to the Customer only subject to a written request/special order from the Customer (e.g. work at night or on weekend).

1.8 “User” – The Customer’s employees who use AS for their work.

1.9 „Confirmation of Receipt” - The provider shall confirm the takeover of the Customer’s request in writing in the Help Desk application and arrange for the adequate response.

1.10 „Impact removal“ – It refers to the Incident or Service Request. This is an alternative solution to temporarily resolve the request. Provider performs an analysis and makes impact removal on business processes of the Customer within the agreed time.

1.11 „Cumulative update“ – it means adjustments and changes of AS released by Microsoft.

Art. 2 - Price, Scope of Service and Terms of Payment

2.1 Price of the services of prepaid hours and services over the scope of prepaid hours is separated chronologically according a number of a request which was closed in certain invoicing period for invoicing purposes. Prepaid hours are spent preferably. Price of the services over the scope of prepaid hours is also dependent on the chosen level and the priority of the request.

Hot Spot request is not included in the prepaid hours. It is evaluated with a special rate according the Appendix no. 3 – Price List of Services.

2.2 Prepaid lump-sum hours unused in the corresponding month can only be transferred to the immediately following calendar month; primarily, prepaid lump-sum hours belonging to the current month are used, while the lump-sum hours transferred from the preceding month can be taken only after.

2.3 One hour is the minimum billable unit for a paid requests per each individual request.

2.4 Invoicing will always be made as of the last day in the month, with due date within 14 days after the issuance date. The last calendar month of the relevant month invoice is considered the date of taxable supply.

2.5 A statement of services realized, stating the list of services provided by the Provider which the Customer has accepted in the Help Desk application using the procedure described in the following paragraph, will form an appendix to the tax voucher (invoice).

2.6 **Acceptance of a realized service** – All services provided to the Customer will be marked by the Provider in the Help Desk application (state "Čekající" – "Waiting" with sub-state "Čeká na test Objednatele / Waiting for customer test"). The date of marking in the Help Desk application is considered as the provision of the service. The Customer is obligated to accept the service (to mark "Schváleno zákazníkem" – "Approved by Customer", i.e. change state to "Vyřešený" / „Resolved“) or to claim defects of the service provided (in a definite and intelligible manner so that the defects could be unanimously identified and removed) within 7 calendar days after the provision of the service. Should the Customer not approve the service or claim defects during the period and in the manner given in the previous sentence, the service provided is considered as accepted upon expiry of the time limit given.

2.7 The Provider is entitled to ask the Customer to confirm a service provided in written by a Confirmation protocol beyond the scope of the procedure described in Item 2.6. As far as the procedure, time limits and acceptance fiction are concerned, Paragraph 2.6 shall apply accordingly.

2.8 **Training** - The Customer performs the training evaluation using electronic questionnaires within 7 days of the end of the training. Should the Customer not perform the evaluation in the manner given in the previous sentence, the training provided is considered as accepted, properly executed and any subsequent reservations will be disregarded.

2.9 All prices herein or in the appendices hereto are VAT excluded. VAT will be given in the tax vouchers in accordance with tax regulations valid at the moment of issuance of the tax voucher.

2.10 **Contractual interest on late payment** – In the case of the Customer's delay in settling a tax voucher (invoice), the Provider is entitled to charge the Customer for the contractual interest on late payment of 0.05 % of the sum outstanding VAT included per each calendar day of delay.

2.11 The price list for services is in the separate Appendix no. 3. The Provider is entitled to change the prices given in the price list for service unilaterally once a year, where the change in the price list is effective on the first day of the month following after the delivery of the new price list to the Customer. The Provider is entitled to increase the prices by the inflation rate at the maximum (the inflation rate expressed as the increase of the average annual index of consumer prices published by the Czech Statistical Office) from the conclusion of the contract or the last change in the price list. The Customer takes note that such a change in the price list can be made after several years by the total inflation rate for the whole period during which no change in the price list took place.

Art. 3 – Rights and Obligations of the Contracting Parties

3.1 The Provider is entitled to provide services in the electronic form should the nature of such service enables so.

3.2 The place of the provision of services is the premises of the Customer or of the Provider, and/or other premises contracted at the Customer's expense. In case personal presence of the Provider's staff is not necessary for the provision of the service in question, services may be provided at distance by remote connection. The Provider is entitled to make use of third persons for the performance of services hereunder (hereinafter referred-to also as "Subcontractors").

3.3 The Customer is obligated to respect the current hardware and software request for the purposes of the AS operation.

3.4 The Customer is obligated to buy the language layer and the foundation pack in the countries where the Customer operates and will operate.

3.5 The Customer is obligated to create regular daily backups of the database with archiving for at least one week back. The creation and archiving of the regular database backups and the activities related thereto are arranged for by the Customer and at the Customer's expense.

3.6 The Customer is obligated to ensure that any change in the provided software accepted by the Customer should be made available to all workstations of the Customer used in the operation and working with AS.

3.7 The Customer is obligated to promptly inform the Provider in case of any changes that have an impact on this contract.

Art. 4 – Confidential Rights and Business Secret Protection and Sanctions for Infringement

4.1 **Obligation to keep confidential and protect the business secret** - The Contracting Parties pledge to keep confidential and protect the other Party's business secret, as well as to keep in secret all facts and information related to the other Party's business which the Parties may learn about in relation to the performance hereof and which are not commonly available to third persons (hereinafter referred-to as "Confidential Information"). This also applies to any infringement of know-how related to modules which were created by implementation and modification of the Microsoft Dynamics NAV information system.

4.2 The Contracting Parties may not archive or otherwise store the other Party's business secret and Confidential Information beyond the scope hereof, to use it for its own purposes, disclose it or otherwise yield it to third persons, or to enable the use thereof by a third person.

4.3 For the purposes hereof, the obligations according to Items 4.1 a 4.2 are hereinafter referred-to as "Contracting Parties' obligation of confidentiality". The Contracting Parties are obligated to maintain the Contracting Parties' obligation of confidentiality for 36 months after the termination hereof.

4.4 **Contractual Penalties** – The Contracting Parties' obligation of confidentiality is secured by a contractual penalty. Should any of the Parties breach the Contracting Parties' obligation of confidentiality, the infringing Party is obligated to pay the other Party the contractual penalty determined as follows, within 7 days after being called to do so:

a) The contractual penalty for each ascertained violation of the Confidentiality Obligation of the Parties shall be calculated as treble the aggregate payment (excl. VAT) for the performances provided in the preceding 12 months under the Service Contract.

b) In case the infringement of the Contracting Parties' obligation of confidentiality is used or misused by the other Contracting Party or by a third party, in case there is a danger of such use or misuse on reasonable grounds, or in case the other Contracting Party discloses a business secret or confidential information to a third party in written, on a data carrier, by e-mail or wilfully in any other way, the contractual penalty for each ascertained violation of the Confidentiality Obligation of the Parties shall be calculated as treble the aggregate payment (excl. VAT) for the performances provided in the preceding 12 months under the Service Contract.

The contractual penalties above are fixed per each individual infringement of the Contracting Parties' obligation of confidentiality, and if the infringement of the Contracting Parties' obligation of confidentiality accomplishes the provisions of both Item a) and Item b) of this paragraph, the contractual penalties are added up.

Art. 5 – General and Final Provisions

5.1 The Contracting Parties agree that they will acknowledge electronic correspondence (e-mail without guaranteed electronic signature) in their mutual communication (unless stipulated otherwise). Where the Contract explicitly requires legal actions in written form, the written form means a signed document, a message using data mailbox, or an actions made in the electronic form with guaranteed electronic signature.

5.2 The Customer agrees that the Customer's name may be cited in the Contractor's list of references.

5.3 The Contract will be reviewed after six calendar months after the effect hereof as to the level of services agreed and the number of prepaid hours of service requests.

5.4 All disputes resulting from the Contract will be solved by agreement of the statutory representatives. If no agreement is reached, the dispute will be settled by the competent court in accordance with the Czech law.