ČESKÝ 4 AEROHOLDING

**Attachment No. 4**

Business Terms and Conditions for the lease of premises used for business and provision of some related services at the international public civil airport in Prague/Ruzyně

version 02/2017

# Business Terms and Conditions

**for the lease of premises used for business and provision of some related services at the international public civil airport in Prague/Ruzyně**

These business terms and conditions for the lease of premises used for enterprising and provision of some related services at the international public civil airport in Prague/Ruzyně (hereinafter referred to as "**Business Terms**") are an integral part of the Contract for lease of premises used for enterprising and provision of some related services at the international public civil airport in Prague/Ruzyně (hereinafter referred to as "**the Contract**"), based on which a lease relation between the Tenant of premises used for enterprising in buildings located in the district of the international public civil airport in Prague/Ruzyně and the company **Český Aeroholding, a.s.,** registered office: 160 08 Prague 6, Jana Kašpara 1069/1, Company Identification No.: 248 21 993, Tax Identification No.: CZ699003361, a VAT payer, incorporated in the Companies Register kept by the Municipal Court in Prague, Section B, Insert 17005 (hereinafter referred to as "**the Landlord"),** is established.

The Landlord declares it owns the Subject of Lease specified in the Contract. The Landlord declares also that the administration of the Subject of Lease is ensured by Letiště Praha, a. s., registered office: 160 08 Prague 6, K Letišti 6/1019, Company Identification No.: 282 44 532, incorporated in the Companies Register kept by the Municipal Court in Prague, Section B, Insert 14003 (hereinafter referred to as "**LP**"), in accordance with the agreed terms stipulated in the appropriate contract.

By signing the Contract, the Tenant acknowledges to address exclusively to LP as regards any issues arising from the lease relation established by the Contract, via contact persons stated in the Contract.

The Tenant declares to be a person entitled to act on its own behalf, use and operate the Subject of Lease at its own costs and own risk, for purpose agreed in the Contract. The Tenant declares it got acquainted properly with the condition of the Subject of Lease before signing the Contract and did not find any obstacles or defects on the Subject of Lease, which would hinder from conclusion of the Contract or usage of the Subject of Lease in accordance with the Contract.

The Tenant confirms its consent with these Business Terms by signing the Contract to which these Business Terms are attached as an appropriate attachment to the Contract.

## I. DEFINITION OF TERMS

**1.1** **"Price for Services"** means the price for Services provided by the Landlord; their amount is stipulated in the Contract.

**1.2** **"Term of Lease"** means the period for which the Contract is concluded and which begins on the effective day of the Contract and ends at the end of a contractual period stipulated in the Contract.

**1.3** **"VAT"** means the value added tax in the amount stipulated by the Act No. 235/2004 Coll., as amended, or by another legal regulation replacing the act mentioned above.

**1.4** **“Minimum Rent from Turnover”** means a part of the Rent, which shall be determined as the minimum amount of the Rent from Turnover, which the Tenant is obliged to pay monthly and which is specified in detail in the Contract and in the advice of payment of the Rent from Turnover, which template is an attachment to the Contract.

**1.5** **“Rent from Turnover"** means a part of the Rent corresponding to the sum of the Landlord´s share in the Tenant´s Turnover and the Landlord´s share in the Turnover from the Tenant´s foreign exchange gains. The amount of the Rent from Turnover shall be determined as a sum of amounts calculated from (i) the percentage from the Turnover achieved by the Tenant in accordance with the Contract and (ii) the percentage form the Turnover from foreign exchange gains achieved by the Tenant in accordance with the Contract.

**1.6** **“Turnover"** means for purpose of these Business Terms and the Contract a sum of all amounts and other payments without VAT received or due (i) for all goods sold or otherwise alienated by the Tenant from the Subject of Lease or in connection with the Subject of Lease and/or (ii) for services provided in the Subject of Lease or from it by the Tenant or another person using the Subject of Lease or its part, including:

(a) All amounts due for orders coming from the Subject of Lease also in case the appropriate goods or services may be provided or delivered from another place than from the Subject of Lease; and

(b) All amounts due for orders gained in another place than in the Subject of Lease by parties which are active in the Subject of Lease (except for orders gained in other business premises of the Tenant).

The way of accepting amounts and other payments defined according to the above mentioned terms includes all ways of payment including checks, debit and credit cards, vouchers, prepaid value cards as well as so-called sales on “invoice”, based on orders sent via electronic mail, post, fax, by phone or in another way and based on online sales.

The Turnover may be decreased by the Tenant only by a returned amount in connection with defective or unsatisfactory goods or services however the maximum is the amount equal to the purchase price of the appropriate goods or service excluding VAT.

**1.7** **“Turnover from foreign exchange gains"** means for purpose of these Business Terms and the Contract a sum of all amounts and other payments including VAT, corresponding to foreign exchange gains received or due (i) for all goods sold or otherwise alienated by the Tenant from the Subject of Lease or in connection with the Subject of Lease in the foreign currency and/or (ii) for services provided in the Subject of Lease in the foreign currency or from it by the Tenant or another person using the Subject of Lease or its part whereas foreign exchange gains mean a difference between (i) a payment received in the foreign currency by the Tenant in the Subject of Lease or in connection with the Subject of Lease and expressed in CZK according to the Tenant´s exchange rate stipulated by the Tenant for a day of payment realization and (ii) an amount expressed in CZK, which corresponds to the payment received by the Tenant in the foreign currency according to the exchange rate declared by the Czech National Bank (Exchange market rates) for the appropriate calendar month in which the payment was received (an average monthly exchange rate is applied). An example of the calculation of exchange rate differences is mentioned in the appropriate attachment to the Contract.

The way of accepting amounts and other payments defined according to the above mentioned terms includes all ways of payment including checks, debit and credit cards, vouchers, prepaid value cards as well as so-called sales on “invoice”, based on orders sent via electronic mail, post, fax, by phone or in another way and based on online sales.

The Turnover from foreign exchange gains may be decreased by the Tenant only by a returned amount in connection with defective or unsatisfactory goods or services however the maximum is the amount equal to the purchase price of the appropriate goods or service including VAT.

**1.8** **"Subject of Lease"** means the premises used for enterprising specified in the Contract.

**1.9** **"Services"** mean the Services which the Landlord is obliged to provide to the Tenant in connection with the lease of the premises used for enterprising and which are mentioned in the Contract,

**1.10** **"Basic Rent"** means 1.) the rent calculated as a product of the size of the leased floor space in $m^2$ of the Subject of Lease and the rent rate for 1 $m^2$ mentioned in the appropriate attachment to the Contract or 2.) the rent calculated as a lump sum the amount of which is mentioned in the appropriate attachment to the Contract.

**1.11** **"Rent"** means rent calculated as a sum of the Basic Rate and Rent from Turnover.

**1.12** **"Pricelist of Services"** means a list of performances provided by the Landlord to the Tenant in connection with the lease of the Subject of Lease.

**1.13** **"Airport"** means a functional comprehensive set comprising buildings, lands and other real estate including their individual parts and related infrastructure creating the district of the international public civil airport in Prague/Ruzyně.

**1.14** **"LP"** means the company Letiště Praha, a. s., which is an operator of the Airport.

## II. RENT, PRICE FOR SERVICES AND ITS MATURITY

**2.1** The contracting parties agree upon an annual increase of the Rent when the Landlord is entitled to increase the Basic Rent unilaterally annually by the percentage of an average annual inflation rate announced by the Czech Statistical Office for the previous calendar year ("**Indexing**"). Unless otherwise agreed, the Basic Rent shall be increased so that the monthly rate of the Basic Rent for 1 $m^2$ shall be rounded up to the whole CZK 10 after the Indexing. The Basic Rent shall be adjusted immediately after the Indexing is published with retroactive effect as of 1st May of each calendar year and the additional charge of the difference between this adjusted rent and the original rent for the period from 1st May till the end of the month preceding the issue of a new schedule of payments shall be charged in a separate invoice sent to the Tenant. If the inflation rate ceases to be published in the way mentioned in this article or if it may not be applied by any reason, the Landlord undertakes to replace it with another valid index which shall replace the above mentioned publication of an inflation rate. The Indexing may in no case lead to any decrease in the Rent. Any change of the scope of the Subject of Lease and the related change of the amount of the Rent do not have any influence on provisions of this article.

**2.2** The Basic Rent is due always within the 5th calendar day of the month for which the Rent is paid, via a wire transfer to the LP´s bank account mentioned in the Contract, with a variable symbol which is the Contract registration number mentioned on its front page.

**2.3** The Rent from Turnover is due always within 25th calendar day of the month following the calendar month in which the Turnover and Turnover from foreign exchange gains were generated, via a wire transfer to the LP´s bank account mentioned in the Contract, with a variable symbol which is the Contract registration number mentioned on its front page. The Tenant shall send LP a signed advice according to the template contained in the appropriate attachment to the Contract, electronically via

email with an electronic signature or in writing in paper format, to contacts mentioned in the Contract, no later than the 5th calendar day of the month following the month in which the Turnover and Turnover from foreign exchange gains were generated. The advice shall contain the Tenant´s Turnover and Turnover from foreign exchange gains for the appropriate month, date and calculations of the amount of Rent from Turnover and relevant VAT.

**2.4** The amount of the Prices for Services may be adjusted by the Landlord by reflecting them in the Pricelist of Services depending on the movement of prices of suppliers of such services. The Landlord and/or LP are obliged to announce the Tenant any such change of the Prices no later than one (1) month before such change is implemented. The Landlord undertakes to apply the Pricelist of Services for the entire Term of Lease towards all retail tenants in the airport premises and to make the Pricelist available for the Tenant at the Tenant´s request.

**2.5** The Price for Services is due always within the 5th calendar day of the month for which the Price is paid, via a wire transfer to the LP´s bank account mentioned in the Contract, with a variable symbol which is the Contract registration number mentioned on its front page.

**2.6** For purpose of payments of the Rent, the Rent from Turnover or the Minimum Rent from Turnover and the Price for Services, the payment day of the appropriate amount is the day on which the appropriate amount is credited to the LP´s account. If the maturity day falls on Saturday, Sunday or a bank holiday, it will be shifted to the closest previous business day. If the Tenant breaches its obligation to pay the Basic Rent and/or the Minimum Rent from Turnover and/or the Rent from Turnover and/or the Price for Services in a proper and timely manner, the Tenant undertakes to pay the Landlord a default interest amounting to 0.05 % of the outstanding amount for each day of delay.

**2.7** For the purpose of a security deposit payment, the payment day of the appropriate amount is the day on which the amount is credited to the account mentioned in the appropriate article of the Contract. If the maturity day falls on Saturday, Sunday or a bank holiday, it will be shifted to the closest previous business day.

**2.8** If the effective date of the Contract does not correspond to the date mentioned in the schedule of payments which constitutes an appropriate attachment to the Contract, the Tenant undertakes to pay the Landlord a proportional part of the Basic Rent and/or the Rent from Turnover and the Price for Services for the period from the effective date of the Contract till the date when payments is paid according to the schedule of payments, based on an invoice – tax document. The invoice maturity is 17 days after its issue date. The invoices shall be considered as paid on the day on which the invoiced amount is credited to the LP´s account. The last calendar day before the first validity day of a schedule of payments is considered as a day of taxable supplies unless otherwise agreed in the Contract.

## III. RIGHTS AND OBLIGATIONS OF CONTRACTING PARTIES

**3.1** Rights and obligations of the Landlord:

3.1.1 The Landlord is obliged on its own or via LP to hand the Subject of Lease over to the Tenant and to keep it in the condition necessary for the agreed usage, to ensure the unimpeded exercise of the Tenant´s rights related to its usage and to ensure the proper provision of the Services. Both Contracting parties shall draw up a handover certificate about the handover and takeover of the Subject of Lease. It shall come into force and become effective on the day of its signing by both Contracting parties. The subject of such handover certificate shall be the description of the actual condition of the Subject of Lease as of a day of its handover and takeover, the number of handed keys or other items if their usage is necessary to access the

Subject of Lease, or a list of documents handed over, if applicable. In case that the Landlord is ready to hand over the Subject of Lease to the Tenant but the handover and takeover does not take place for reasons attributable to the Tenant, it shall be deemed that the Tenant took over the Subject of Lease on the day on which the Landlord was ready for it. In such case the Landlord is entitled to make a record of the condition of the Subject of Lease, which shall replace the handover certificate;

3.1.2 The Landlord is obliged to provide the Tenant with necessary cooperation via LP before the initiation of proceedings about gaining of the appropriate authorization for the entry of the Tenant and its employees into the regime area where the Subject of Lease is situated (ID card);

3.1.3 The Landlord is entitled to check on its own or via LP whether the Tenant uses the Subject of Lease for the purpose agreed in the Contract, whether it uses also premises and areas related to the Subject of Lease adequately. The Landlord is also entitled to make stipulated inspections and revisions of distributions, gauges, fire security devices, fire extinguishers and other similar professional inspections of the Subject of Lease according to needs always after a prior announcement to the Tenant;

3.1.4 The Landlord is entitled to enter the Subject of Lease on its own or via LP when accompanied by the Tenant or a person authorized by the Tenant to check the observance of the terms agreed in the Contract as well as to make maintenance, necessary repairs or checks of electric, water and other lines if it is necessary;

3.1.5 In case the supplies of Services provided in connection with usage of the Subject of Lease are interrupted by suppliers of these Services through no fault of the Landlord, the Landlord is not responsible for such interruption whereas the Landlord undertakes to make all efforts which may be reasonably required to renew supplies of these Services as soon as possible provided that if this period exceeds 24 hours in each particular case per one calendar month, the Price for Services will be adjusted accordingly and if the Minimum Rent from Turnover is not reached, it will be adjusted proportionally;

3.1.6 In case it is necessary to avert any danger of damage or imminent damage or reduce any damage in connection with any extraordinary event, LP, the Landlord and/or a person authorized by the Landlord is entitled to enter the Subject of Lease without any prior announcement to the Tenant and without its attendance whereas such person is obliged to make all efforts when entering the Subject of Lease, which may be reasonably required, to avert damage threatening to the Tenant´s property. The Landlord shall have a pass key for such cases, which shall be placed in a safe place and a written protocol shall be drawn up about each usage of this key in relation to the Subject of Lease. LP, the Landlord and/or a person authorized by the Landlord is obliged to inform the Tenant additionally in writing about each such entry into the Subject of Lease;

3.1.7 The Landlord and/or LP is entitled to enter the Subject of Lease from 7.00 a.m. to 9.00 p.m. to enable its viewing to the third party which is interested in its lease, without the Tenant´s attendance during the notice period in case of termination of the Contract by a notice, or during the period specified for vacation of the Subject of Lease in case of termination of the Contract by withdrawal, or within six (6) months before the expiry of the Term of Lease. The Tenant agrees with this Landlord´s procedure;

3.1.8 The Landlord shall ensure via LP activities (operation, checks, maintenance and repairs) which are related to the operation of automatic detection equipment (hereinafter referred to as "**ADE**") and other fire security devices (hereinafter referred to as "**FSD**") which are owned by the Landlord and/or LP, in premises which are equipped with ADE and FSD. The Landlord shall ensure via LP also checks or serviceability and periodic tests of all fire extinguishers (hereinafter referred to as "**FE**") distributed in the Subject of Lease, in accordance with the fire security plan of the building. In case it is necessary to extend the number of ADE, FSD and FE equipment, due to construction works in the Subject of Lease, the assembly of these devices and means shall be ensured via LP and/or the Landlord. Any financial costs incurred with respect to this extension of the ADE and FSD equipment shall be paid by the Tenant unless otherwise agreed by the Contracting parties. The costs of extension of the FE equipment in the Subject of Lease are always paid by the Landlord. The arrangement of other activities and services with respect to the fire protection and security by the Landlord may be regulated in a separate contract concluded between the Contracting parties;

3.1.9 The Landlord is obliged to notify the Tenant in writing on its own or via LP of any organizational changes influencing the performance of this Contract as well as changes of contact persons.

3.1.10 The Landlord is obliged to provide the Tenant via the LP´s security department (OHS) with a list of issued and unreturned ID cards or another authorization issued to the Tenant or its employees within fifteen (15) business days after receiving a written request however the maximum is once (1x) a month.

3.1.11 The Landlord and/or LP are entitled to execute construction and/or maintenance works in/of the Subject of Lease. The Landlord shall act so to limit the Tenant´s usage of the Subject of Lease by these works as little as possible, if applicable, and is obliged to inform the Tenant about the plan of these construction or maintenance works which may limit the Tenant´s usage of the Subject of Lease. In case that the Landlord executes these works based on contracts concluded with a third party which is entitled to execute these works, such third party, in consequence of whose activity any damage or loss was caused when executing works, is liable towards the Tenant for incurrence of any damage or another loss in causal connection with execution of these works.

3.1.12 The Landlord is not responsible for any damage or other loss of the Tenant or the third party, which was caused by force majeure. All events, when fulfillment of the Landlord´s obligation was hindered from by an obstacle out of the Landlord´s control and hindered it from fulfilling its obligation, are considered force majeure if it may not be reasonably assumed that the Landlord could advert this obstacle or its consequences in advance. The Landlord is obliged to make all efforts to minimize the consequences caused by force majeure.

**3.2** <u>Rights and obligations of the Tenant:</u>

3.2.1 The Tenant is obliged to use the Subject of Lease properly in accordance with its construction specifications and purpose defined in the Contract. With a view to the location of the Subject of Lease at the Airport, the Tenant is expressly obliged to ensure that its employees, customers, visitors, subtenants, suppliers and other persons admitted into the Subject of Lease with the Tenant´s knowledge conduct with propriety and keep order in the Subject of Lease and do not disturb the surroundings;

3.2.2 The Tenant is obliged to pay amounts stipulated by the Contract in a proper and timely manner;

3.2.3 The Tenant is obliged to identify the Subject of Lease as its business premises including the visible identification of opening hours, in accordance with the applicable legislation of the trade law;

3.2.4 The Tenant is obliged to ensure for itself and for its employees the appropriate authorization to enter the regime area ("**ID card**") where the Subject of Lease is located or other necessary authorizations (e.g. for entry of motor vehicles) in a way stipulated by the Landlord and/or by LP. The Tenant is obliged to ensure that persons holding the ID card are identified visibly with this ID card or another authorization when moving in the Airport´s premises and prove their identity with the mentioned authorizations, issued by LP, in places specified by the Landlord and/or by LP. The Tenant is also obliged to ensure that authorizations for the entry, issued for it or its employees, are not used by unauthorized persons;

3.2.5 Before issuing the ID card or another authorization for movement in the regime area of LP, the Tenant is obliged to ensure via the LP´s security department (OHS) or another accredited organization passing of a security training which shall correspond to the scope of the given authorization, at its own costs for own purposes and for purpose of its employees;

3.2.6 The Tenant is obliged to announce the LP´s security department (OHS) any loss, alienation, damage, change or falsification, appropriation or similar unauthorized handling with the ID card or with another authorization issued to the Tenant or its employees immediately via email or fax, and is also obliged to announce termination of the employment contract with its employee for the purpose of returning the ID card. After terminating the employment contract with its employee or if the lease relation is terminated, the Tenant is obliged to return LP the ID card, issued authorizations or other cards (e.g. parking card, meals card, etc.) whereas in case the employee´s employment contract is terminated, the Tenant is obliged to meet this obligation within the fourteenth ($14^{th}$) day of the month following the month when the employee´s employment contract was terminated; in case the lease relation is terminated, the Tenant is obliged to meet this obligation within the day of its termination with a notice or agreement or in case the lease relation is terminated by withdrawal, it is obliged to meet this obligation within five (5) days after the effective day of such withdrawal. The Tenant is also obliged to return all authorizations issued for it or for its employees or other cards if their validity ends;

3.2.7 The Tenant is obliged to provide LP with a list of employees working in the Subject of Lease, their names, surnames, addresses, dates of birth, ID card numbers or passport numbers. In case of any change the Tenant is obliged to update this list immediately and sent this updated data per email or fax to the LP´s security department (OHS); the Tenant is obliged to ensure from its employees all consents with processing of personal data eventually required by law according to this Article;

3.2.8 The Tenant is not entitled to sublease or provide the third party the Subject of Lease, its part or items related to it, for usage without a prior written consent of the Landlord and/or another authorized person. If such consent of the Landlord or another authorized person is granted, the Tenant is entitled to leave the Subject of Lease or its parts for sublease or another usage of the third party only for a period and for purpose of executing activities approved by the Landlord or another entrusted person;

3.2.9 The Tenant is entitled to mark the Subject of Lease and/or a kiosk located in the Subject of Lease (if the Subject of Lease is used by the Tenant in this way) with the name or logo of its company and to carry out any promotional activities only in accordance with the provisions of this Article and only with the Landlord's previous written consent with such method of

marking and/or specific manner of promotion. When the lease relation is terminated, the Tenant is obliged, at its own costs, to remove such markings and to put places into original condition in which they were before such marking; in case the Tenant uses the Subject of Lease for the location of a kiosk, it shall remove the entire kiosk from the Subject of Lease including its marking as of the day when the lease relation established by the Contract is terminated, in accordance with Article VIII of these Business Terms;

3.2.9.1 The Tenant is obliged to bring the exterior and interior of the Subject of Lease into conformity with the "Design Manual" which the Tenant received on signing the Contract. The Tenant is obliged to comply with the Design Manual already during the Construction Works of the Subject of Lease and any other structural alterations made in/to the Subject of Lease;

3.2.9.2 The Tenant is entitled to promote only its trade mark, logo or its business name, as well as products sold or services provided in the Subject of Lease, and only on the external walls of the Subject of Lease or its interior or on the external walls and/or interior of the kiosk located in the Subject of Lease (if the Subject of Lease is used by the Tenant in this way). The Tenant is not entitled to promote any third party's service or product which is not offered or provided in the Subject of Lease or in the kiosk located in the Subject of Lease (if the Subject of Lease is used by the Tenant in this way). The Tenant is not entitled to place any form of navigation to another establishment of its company or a third party on any external wall of the Subject of Lease and/or in its interior or on external walls and/or interior of the kiosk located in the Subject of Lease (if the Subject of Lease is used by the Tenant in this way).

3.2.9.3 Without the Landlord's previous written consent, the Tenant is not entitled to place any promotion (billboards, signs or other promotional materials), and/or to carry out any activities aimed to boost sales (such as stands, counters, hostesses, special decoration etc.) outside of the interior of the Subject of Lease and/or outside the external walls of the Subject of Lease or outside the external walls of the kiosk and/or outside the interior of the kiosk located in the Subject of Lease (if the Subject of Lease is used by the Tenant in this way). Also, without the Landlord's previous written consent, the Tenant is not entitled to place any promotion (billboards, signs or other promotional materials), and/or to carry out any activities aimed to boost sales (such as stands, counters, hostesses, special decoration etc.) on screens or partition walls located in or in front of the Subject of Lease due to fitting-out works in the Subject of Lease.

3.2.10 The Tenant is obliged to use the Subject of Lease without any loss caused to other tenants and premises of the Airport. The Tenant is also obliged to comply with the applicable legislation when using the Subject of Lease, in particular with respect to the hygiene, protection of environment, occupational safety, fire protection and security of civil aviation.

3.2.10.1 Furthermore, the Tenant is obliged to comply with the internal rules and regulations, organizational standards, operational and fire rules, technical regulations and guidelines (hereinafter referred to as the "Internal Regulations") issued for the Airport or issued by the Airport's operator which concern or have an impact on the operation of the

Tenant's business activity in the Subject of Lease, of which the Tenant was demonstrably informed. The Tenant is obliged to follow and adhere to the instructions of the Airport's operator issued in order to comply with the Internal Regulations.

3.2.11 The Tenant is obliged to prepare and submit documents in a protocol concerning the fire protection related to the executed activity, mainly the classification into a fire danger category, documents about performed regular trainings of employees required by the applicable legislation in the field of Fire protection and Occupational safety, and documents about preventive fire checks, on call of the Landlord and/or LP within 30 calendar days after the Term of Lease begins. Such prepared documents shall respect and contain internal regulations concerning the fire protection of the airport´s operator, which were provided on the day when the contract was signed at the latest (document about the classification of objects, fire rules, fire alarm guideline, fire evacuation plan) and documents about the acquaintance with the binding regulations of LP – cf. Article 3.2.10 of Business Terms;

3.2.12 The Tenant is obliged to enable the Landlord, LP or a person authorized by the Landlord to access the Subject of Lease in order to inspect and revise inbuilt distributions, ADE, FSD, FE and other devices which are owned by the Landlord and/or LP or to make other prescribed inspections and checks, including whether the Tenant uses the Subject of Lease for activities defined in the Contract, after a prior announcement of the Landlord and/or LP;

3.2.13 The Tenant is obliged to keep the Subject of Lease in a clean and usable state, it is mainly obliged to make common maintenance and repairs in the Subject of Lease as well as to pay costs related to common maintenance and repairs of the Subject of Lease, mainly decoration, replacement of defective switches, outlets, bulbs or other lamps, breakers inside the Subject of Lease, door varnishing, replacement of defective door and window panels inside the Subject of Lease, repair or replacement of damaged fittings provided by the Landlord, including washbasins, toilet bowls and plugs, plumbing fittings, floor wear layers and other similar equipment so that premises correspond to the top-quality expected at the international airport. The Contracting Parties agree that mainly repairs of the internal equipment of the Subject of Lease, repairs and replacement of individual upper floor parts, repairs of flooring and replacement of door-steps and fillets, individual window and door parts, replacement of locks, fittings, handles, blinds and sun-blinds, exchanges of electric end devices and distribution devices, mainly switches, outlets, breakers, bells, home phones, outlets for distributions of data networks, signal of analogue as well as digital television broadcasting and exchanges of light sources in lighting fixtures, replacements of shut-off valves for gas distribution except for the main shut-off valve for the Subject of Lease, repairs of shut-off valves for water distribution, replacements of traps and grease-traps, repairs of heating indicators and repairs and certifications of meters of hot and cold water, repairs of water outlets, brazes, vapor absorbers, cooker hoods, mixing batteries, showers, water heaters, bidets, washbasins, bathes, sinks, flushing devices, kitchen cookers, ovens, cookeries, infra heaters, kitchen units, built-in and annexed wardrobes and exchanges of all minor parts of the above mentioned items, which amount does not exceed CZK 39,000 per case, are considered common repairs. The Landlord is not obliged to remove defects of the Subject of Lease, which exist as of the day of entering into the Contract and which do not prevent the agreed usage. If the Tenant does not make any common repair or maintenance, to which it is obliged, within five (5) business days after receiving the Landlord´s written notice, the Landlord is entitled to ensure the necessary repair or maintenance at the Tenant´s costs. The Tenant is also obliged to repair all devices, distributions or fittings which were installed in the Subject of Lease by the Tenant, to full extent but based on a prior consent of the Landlord and/or LP. The Tenant undertakes to dispose of the waste left over from the mentioned repairs at its own costs via LP or another authorized person. At the Landlord's request, the Tenant shall document the Landlord and/or LP how the waste was disposed of.

3.2.14 The Tenant is obliged to announce the Landlord and/or LP any necessary repair without undue delay, which it is not obliged to make on its own according to the previous section and to enable the Landlord and/or LP to make the necessary repair otherwise the Tenant is responsible for damage incurred by non-meeting of this notification obligation;

3.2.15 The Tenant is obliged to announce the Landlord and/or LP any installation of a new device and technical equipment with the input higher than 1 kW whereas the Tenant mustn´t install and use any devices, equipment, technical equipment and appliances in the Subject of Lease, which are not approved for the operation in the Czech Republic or are not in accordance with the legal order of the Czech Republic and with Czech norms. The Tenant is obliged to ensure that the manipulation and usage of any equipment and appliances in the Subject of Lease is made according to instructions for such equipment and appliances and that the usage and manipulation is made by persons trained, authorized or qualified for such usage or manipulation. The Tenant is obliged to revise electric appliances used in the Subject of Lease in accordance with ČSN 331600 ed. 2 in terms according to ČSN 331600 ed. 2, and to revise own electric equipment in accordance with ČSN 331500 in terms according to ČSN 331500, and to record such revisions as well as to make revisions and check tests of all devices which were installed by the Tenant in the Subject of Lease, mainly revisions of electric appliances, revisions of ADE – FSD, SFE, fire dampers, fire blinds, etc., at own costs. Based on a request of the Landlord and/or LP, the Tenant is obliged to submit the Landlord and/or LP records of executed revisions for check;

3.2.16 When installing any internal device in the Subject of Lease, the Tenant is obliged to act so as not to disturb the conditions of the trouble-free operation of automatic detection equipment (ADE) and electric security signaling (hereinafter referred to as "ESS"), and also so as to ensure an immediate trouble-free access to any ADE device, fire security device (FSD), fire extinguisher (FE), ESS sensor, electrical distributor and outlets for data networks of the Landlord and/or LP is ensured if such devices are installed in the Subject of Lease;

3.2.17 The Tenant is not entitled to extend or change the range and brands of goods and/or services in the Subject of Lease specified in the Contract without a prior written consent of the Landlord provided via LP, or to promote brands or ranges of goods and/or services in/on the Subject of Lease other than specified in the Contract, or to promote anything in other places of the Airport outside the Subject of Lease. The Tenant is obliged to submit LP the method and scope of the promotion of products sold and services provided by the Tenant in/on the Subject of Lease for approval in advance. The Tenant is entitled to make such promotion exclusively after a prior written approval of the proposal on promotion by the Landlord or LP, exclusively within conditions which shall be stipulated in such an approval;

3.2.18 The Tenant is obliged to ensure a continuous access to the Subject of Lease (i.e. 24x7) in connection with the possibility of an emergency at the Airport so that it shall ensure shouldering of the entry door or grates to the Subject of Lease or any of its parts with EVVA locks which shall be set so that the Landlord, LP, Police of the Czech Republic and Inspectorate of Alien Police - Prague/Ruzyně could open these locks with their master key which they keep at disposal; this obligation shall not apply to tenants which Subject of Lease is shouldered with an EVVA lock supplied by the Landlord because the master key for such door is already kept by the Landlord, LP and Police of the Czech Republic, respectively by the Inspectorate of Alien Police - Prague/Ruzyně;

3.2.19 The Tenant is obliged to refrain from any interferences with weak-current networks and electric distributions in the Subject of Lease, mainly with ADE, FSD, FE, ESS detectors, etc.);

3.2.20 The Tenant is obliged to collect the waste similar to municipal waste and sorted elements of municipal waste defined by LP in accordance with the waste management system which is

published on LP´s websites www.prg.aero and according to LP´s instructions which the Tenant was acquainted with. The producer of waste similar to municipal waste and sorted elements mentioned above, which originate when using the Subject of Lease according to the Contract, is LP. The producer of waste other than mentioned above is the Tenant and is obliged to dispose of it in accordance with the applicable legislation, mainly to ensure at its own costs via LP or another authorized person its collection and removal from the Subject of Lease and premises of the Airport. Based on a request, the Tenant shall document the Landlord and/or LP how the waste was handled.

3.2.21 The Tenant is obliged to suffer necessary limitations in the Subject of Lease (in particular with respect to the impossibility (i) to use the Subject of Lease for the Purpose of Lease; (ii) for the Landlord to keep the Subject of Lease in such condition that the Subject of Lease could be used for the usage for which it was leased; and (iii) for the Landlord to ensure continuous usage of the Subject of Lease during the Term of the Lease for the Tenant) in case of any planned repairs or renovations of the Subject of Lease and/or the Building and/or the land or construction adjacent to the Building made by the Landlord, or limitations incurred due to emergency states or when removing obstacles and failures originating in the airport operation, or circumstances related to it provided that if such a period is longer than 48 hours in each particular case within one calendar month, the Rent will be adjusted accordingly and if the Minimum Rent from Turnover is not reached, it will be adjusted proportionally;

3.2.22 The Tenant is obliged to announce the Landlord any need of repairs which the Landlord is obliged to make according to the Contract, and to enable the execution of such repairs otherwise the Tenant is responsible for any damage caused by the failure to meet this obligation;

3.2.23 The Tenant is obliged to discuss with the Landlord its intention to place, open and use any radio-communication, radar and wireless transmitting device of a short-term as well as long-term nature in advance, via the department of information and communication technologies **("ICT")** whereas the ICT´s opinion on the intention or its realization and conditions of the operation is binding for the Tenant, including possible refusal of realization of the proposed intention; in case the realization of the proposed intention is refused, the Tenant undertakes to respect this prohibition of installation without reservations;

3.2.24 The Tenant is obliged to follow instructions of the Landlord and LP when meeting obligations under the Contract. The Tenant is obliged to refrain from activities which could directly or indirectly damage or endanger individual elements of the environment in terms of preventing the pollution and damaging of the environment and in terms of the established EMS (Environmental Management System) according to ISO 14001 at the Airport and in accordance with the environmental policy. The Landlord asks the Tenant running activities or providing services which have or could have impacts on the environment to respect the adopted principles of the environmental protection and in case of any failures or imminent breakdowns to announce them on the contact numbers mentioned below.

| | |
|---|---|
| In case of fire, leakage of unknown substances (reporting office for fires) | 3333, 2222 |
| Medical ambulance | 3301, 3302 |
| Safety control station | 1000 |
| Central control station – failures, breakdowns | 6000 |
| Failures of telephone lines | 3000 |

In case of any questions or incentives for improvement concerning particular fields:

Occupational safety bozp@prg.aero

Fire prevention technik.po@prg.aero
Environment zivotni.prostredi@prg.aero
Complaints stiznosti@prg.aero

3.2.25 The Tenant is responsible for damages caused by it and/or caused by breach of its obligations in the Subject of Lease according to the Contract and/or damages caused by breach of its obligations stipulated by the Contract. The Tenant is responsible personally or jointly and severally with persons admitted into the Subject of Lease in the same way as for damages of the Subject of Lease caused by its employees, visitors, subtenants, customers, suppliers or builders and other persons engaged by the Tenant and admitted into the Subject of Lease with the Tenant´s awareness. In case that the Tenant or persons whom the Tenant admitted into the Subject of Lease and into the Building cause any failures or damages of the Subject of Lease or of the Building, the Tenant is obliged to remove such failures and damages immediately at its own costs;

3.2.26 The Tenant is obliged to insure the following items and to keep the insurance valid for the entire Term of Lease:

(i) All liabilities for damage caused to the Landlord and/or to the third party in connection with usage of the Subject of Lease, with the minimum indemnification of CZK 20,000,000; and

(ii) Internal equipment and all devices of the Subject of Lease installed by the Tenant and operational facilities and property located in the Subject of Lease, to full extent of their compensation (new) value;

(iii) The Tenant is obliged to agree upon and to keep expressly the damage liability insurance within the above mentioned scope concerning any damage caused on the Subject of Lease. The Tenant is obliged to pay all insurance premiums from the above mentioned insurances in due time and to submit LP a verified copy of the appropriate insurance contract or a corresponding confirmation of an insurance company proving the conclusion of such an insurance contract (insurance contracts) always within fifteen (15) days after their conclusion. The Tenant is obliged to use any claim payment received exclusively for compensation or removal of consequences of the relevant insured event and for compensation of any damage incurred possibly to the Landlord.

In case any insured event incurs, the Tenant undertakes to inform the Landlord about it immediately in writing via a contact person specified in the Contract and to provide the Landlord with written documents concerning the relevant insured event, at the Landlord´s request.

3.2.27 The Tenant is obliged to follow the ban on using baggage trolleys or shopping trolleys, used by the travelling public for free transport of suitcases, for its own operational needs, i.e. to use them, for instance, for transport of goods or other materials. Baggage or shopping trolleys are used exclusively for the transport of suitcases of the travelling public;

3.2.28 The Tenant is obliged to keep trade licenses, any other authorizations or permissions valid for the entire Term of Lease, which the Tenant disposes of as of the day of entering into the Contract and which concern the subject of enterprise in the Subject of Lease according to the Contract. The Tenant is obliged to obtain trade licenses and other authorizations or permissions necessary for the operation of a business activity in the Subject of Lease according to the Contract anytime within the contractual period and to submit their verified

copies to the Landlord and/or LP within five (5) business days after their obtaining. The Tenant is entitled to change the subject of enterprise in the Subject of Lease and change so the purpose of lease of premises used for enterprising only after a prior written consent of the Landlord and/or LP. The Tenant is also obliged to announce and document the Landlord and/or LP any changes related to authorizations and/or permissions of the Tenant to run a business activity in the Subject of Lease in accordance with this Contract within five (5) business days after each such change;

3.2.29 Before commencing trading in the Subject of Lease, the Tenant is obliged to equip the Subject of Lease with all installations and devices necessary for its usage by the Tenant in accordance with the Contract and to equip the Subject of Lease with goods so that the Tenant properly opens the Subject of Lease for trading for the public within the day mentioned in the Contract at the latest. The Tenant is obliged to establish a technical device which shall record all Turnover and Turnover from foreign exchange gains (hereinafter referred to as the "**Device**"), and to use it in the Subject of Lease for purposes mentioned in the Contract and the present Business Terms as of the opening day. The Tenant is also obliged to sent information (data) in electronic format to the Landlord, using the identification details assigned by the Landlord, to data repository, in the scope and technical specifications which are specified in detail on the LP's website at the address www.prg.aero (in the Business section, Non-aviation business, access for business partners), no later than the fifth (5th) day of the month following the month for which such information is provided to the Landlord. The Landlord is entitled to change requirements for the scope of information unilaterally provided such change of the scope does not create completely new substantial obligations or substantial limitations of the Tenant's rights compared to the wording of the Contract and the Business Terms. Such change shall be binding for the Tenants from the moment on which the Tenant is notified of it.

3.2.29.1

The Tenant is not entitled to make any modifications or interfere with the data saved in the Device manually, by software or in another way. The Tenant is obliged to transfer automatically all data from the Device to its accounting books without any interference with this data, to separate analytic accounts so that it is possible to compare and reconcile the data from the Device with the data in the books at any time.

3.2.30 The Landlord or a person authorized by the Landlord, for instance LP, are entitled to perform a technical audit of the functionality of the Tenant´s Device and its interconnection with accounting and an audit of the Turnover and/or Turnover from foreign exchange gains anytime during the Term of Lease, which shall be a document for the calculation and payment of the Rent from Turnover. The Landlord is entitled to check the Device located in the Subject of Lease and the summary report of the Device, which records coherently and continuously all daily sales in the Subject of Lease, anytime without any prior notice. The Tenant is obliged to provide the Landlord, a person authorized by the Landlord, for instance LP or a person authorized by the Landlord with the following information, including (without limitations):

(i) Information about accounting policies used when recording the Turnover and/or Turnover from foreign exchange gains, eventually evaluation of goods;

(ii) Information about the way of transmitting the figures from the Device into the general ledger and how statements about the Turnover and/or Turnover from foreign exchange gains are processed based on the general ledger;

(iii) Reconciliation of lists from individual Devices with documents about the volume of money in the Devices after the end of a randomly chosen day or shift;

(iv) Documents about the remittance of the money from the Subject of Lease to a bank, containing the amount of money remitted to a bank and received in a bank;

(v) Bank statements as of the end of months during the period under review, or other statements from the period under review, if applicable;

(vi) General ledger for the chosen period;

(vii) Other documents required by the auditor for the proper performance of an audit.

3.2.31 The Landlord, or a person authorized by the Landlord, for instance LP, is entitled to impose on the Tenant anytime requirements on modification of the system recording the Turnover and/or Turnover from foreign exchange gains in the Device and to notify which information the Tenant is obliged to provide to the Landlord, or a person authorized by the Landlord, for instance LP, , when the Turnover and/or Turnover from foreign exchange gains is being audited, beyond the scope of the above mentioned provided that the Tenant is obliged to accept these requirements and to modify the reports from individual electronic cash registers according to such a requirement at own costs within three (3) months after such written notice of the Landlord, or a person authorized by the Landlord, for instance LP, is delivered, or to enable the Landlord, or a person authorized by the Landlord, for instance LP, to make appropriate changes of the system recording the Turnover and/or Turnover from foreign exchange gains in the Device based on such a requirement. The Tenant is obliged to meet requirements of the Landlord with respect to the modification of the system recording the Turnover and/or Turnover from foreign exchange gains and/or provision of information according to the previous sentence only if it concerns modifications and/or information required by the legislation.

3.2.32 The Landlord is entitled to perform an audit of financial statements, concerning the Subject of Lease and regarding the ongoing year or any prior year, on its own or via a person authorized by the Landlord, for instance LP, , at its own discretion, during the term of the Contract, or to order a professionally qualified accountant or auditor to perform such audit. The audit of Turnover and/or Turnover from foreign exchange gains shall be performed by an auditing company which performs the audit at the Landlord, at Landlord´s costs, or by one of the following companies at the Tenant´s choice and costs: KPMG Česká republika Audit, s.r.o., Ernst & Young Audit, s.r.o., PriceWaterhouseCoopers Audit, s.r.o a Deloitte Audit s.r.o. If it is found out during the audit that the Turnover and/or Turnover from foreign exchange gains lower by more than one percentage (1%) as compared to the reality was recorded for any audited period, the Tenant shall pay costs related to the audit. The Tenant is obliged to enable the Landlord or a person authorized by the Landlord the performance of such an audit of account statements and the immediate access to required account statements and related documents and information. The Tenant is obliged to submit unchanged and unadjusted results of such an audit of the Turnover and/or Turnover from foreign exchange gains to the Landlord, or a person authorized by the Landlord, for instance LP, without undue delay after the receipt of their final form. In case that the Landlord requires an audit of the Turnover and/or Turnover from foreign exchange gains according to this provision more times than once per the Tenant´s accounting period, the Landlord will bear costs for an audit of the

Turnover and/or Turnover from foreign exchange gains unless a bigger difference between the recorded and real Turnover and/or Turnover from foreign exchange gains than the mentioned one percentage (1%) is found out during the audit. In such a case the costs shall be paid by the Tenant.

3.2.33 For purpose of a visual check of the proper registration of Turnover and/or Turnover from foreign exchange gains in accordance with the Contract, the Landlord is entitled to install a camera system via LP at own costs in the Subject of Lease, which shall monitor the area of the Device and the area of payments for goods and/or services in the Subject of Lease at Landlord´s costs, including monitoring of the keyboard of the Device and the screen or display of the Device, if it is equipped with them. The Tenant undertakes to provide the Landlord and/or LP with all necessary cooperation for the installation of a camera system according to the previous sentence and to make all efforts not to damage the camera system or its operation. In case it is damaged, the Tenant is responsible for the damage to full extent. The Tenant is also obliged to ensure that monitoring of the Subject of Lease according to this provision is not disabled or made difficult by articles located in the Subject of Lease or in another way.

3.2.34 If such check or audit performed or other circumstances reveal that the Rent from Turnover which has not been paid yet is due, the Tenant shall pay it together with interest on late payment calculated from the maturity date of the Rent from Turnover to the date of its real payment, based on a request.

3.2.35 The Landlord is obliged to ensure that all persons authorized by it, who shall perform the audit from Turnover and/or Turnover from foreign exchange gains, are obliged to keep confidentiality about all facts which were found out during the audit. The Landlord is entitled to use the audit results only for the check, or for the retrospective assessment of the Rent from Turnover in terms on an internal procedure provided that it is entitled to provide the found data to the Landlord´s partner/partners. The Landlord is not bound by confidentiality towards public authorities which are entitled to request such information by law and towards any third party which is bound by this obligation of confidentiality and which shall be provided with the information in a summary so that it is not possible to identify any particular subject which the information concerns.

3.2.36 The Tenant is obliged to inform the Landlord, or a person authorized by the Landlord, for instance LP, in writing at least one (1) month in advance about all intentions leading to:

(i) Sale of the Tenant´s business as well as usufructurary lease of the Tenant´s business, by way of which terms the Tenant´s rights and obligations under the Contract, in whole or in part, may be assigned to a third party;

(ii) Transformation of the Tenant´s company;

(iii) Change of the ownership structure of members or shareholders of the Tenant´s company, or a change of the majority owner of the Tenant´s company, or a change in the structure of members or shareholders of the majority owner of the Tenant´s company;

(iv) Change of the Tenant´s corporate company or its name, registered office or correspondence address;

as well as about all intentions having a similar impact as any of the intentions mentioned in clauses (i) up to (iv) above.

3.2.37 The Tenant is obliged to notify the Landlord, or a person authorized by the Landlord, for instance LP, of any change of a contact person mentioned in the Contract within one day after the change is made at the latest.

3.2.38 The Tenant undertakes to send LP a written advice according to the template mentioned in the relevant attachment to the Contract within 5th calendar day of the month following the month when the Turnover and/or Turnover from foreign exchange gains was generated. The advice shall contain the date and calculations of the amount of Rent from Turnover and the appropriate VAT. In case the Contracting Parties agreed upon various percentage rates from the Turnover and/or Turnover from foreign exchange gains for different types of goods and/or services, the Tenant shall submit the Landlord, or a person authorized by the Landlord, for instance LP, a written advice broken down according to individual percentage rates from Turnover and/or Turnover from foreign exchange gains for appropriate types of goods and/or services. The accuracy of mentioned data shall be always confirmed in writing by a statutory body of the Tenant or a person entrusted by the Tenant.

3.2.39 The Tenant undertakes also to submit the Landlord, or a person authorized by the Landlord, for instance LP, at its request, a standard extract from the Tenant´s general ledger within 5 days anytime during the term of the Contract. The report shall contain an overview of Turnover and/or Turnover from foreign exchange gains, related to the Tenant´s business premises in the Subject of Lease for the period required by the Landlord, and a report from the Tenant´s Device containing the total value of payments received in the Subject of Lease within the given period required by the Landlord.

3.2.40 The Tenant is obliged to refrain from activities which could directly or indirectly cause a serious accident and to support activities which strengthen the prevention of serious accidents. The reason is the prevention of serious accidents in accordance with the prevention system of serious accidents applied at the Airport and defined in the "Serious Accident Prevention Policy", which the Tenant got acquainted with before signing the Contract.

3.2.41 The Tenant is obliged to refrain from using and/or operating lighting and/or other equipment in/on the Subject of Lease which are not approved in accordance with the applicable legislation of the Czech Republic (CE declaration of conformity). If any of the lighting and/or other equipment in/on the Subject of Lease becomes a source of interference during the term of the Contract which has an impact on the communication of the air traffic, the Tenant is obliged to remove such lighting and/or other equipment and/or source of interference from the Subject of Lease at its own costs at the Landlord's request.

## IV. PERFORMANCES NOT INCLUDED IN SERVICES

**4.1** For the purpose of the Contract and these Business Terms, performances relating to the use of the Subject of Lease and not included in Services are performances in the form of electrical energy or water supplies and waste-water discharge or waste disposal whereas these performances (a) are not specified as Services in the Contract and (b) are measurable separately (hereinafter referred to as "**Performances not included in Services**").

**4.2** In case the Services do not include supplies of electrical energy or water supplies and disposal of waste water or disposal of waste, the Tenant undertakes to conclude a separate agreement concerning the appropriate performance, which shall be temporally limited to the term of the Contract. The conditions for electrical energy and water supplies are ensured by LP – the department for energy, purchase and sales - which the Tenant may contact at: tel. + 420 220 11 2519, fax: +420

220 11 2911. The conditions for waste disposal are determined by LP – Environment – contact phone number: + 420 220 11 1612.

## V. ADDITIONAL SERVICES

**5.1** If it is technically feasible, at the Tenant´s request the Landlord shall ensure the provision of (a) telecommunication services (telephone and fax lines), (b) data and information networks and services (i.e. ensuring of the Internet connection, connection to the airport network, provision of software applications and structured wiring) under the terms agreed in separate agreements which shall be temporally limited to the contractual period.

**5.2** If it is technically feasible, the Tenant shall be entitled to enter with LP into a separate agreement the subject matter of which shall be the provision of LP´s technical services, mainly the installation and operation of the system of electronically checked inputs (ID readers) or the connection to the common television antenna – MATV/STA. The Landlord does not undertake to ensure the Tenant conclusion of an agreement according to the previous sentence and is not responsible towards the Tenant for possible damages which could incur to the Tenant if an agreement is not concluded.

## VI. CONSTRUCTION WORKS

**6.1** In case of any construction works, new installations or other changes in/of the Subject of Lease, which are beyond the scope of common repairs and maintenance of the Subject of Lease according to their nature and these Business Terms or the Contract (hereinafter referred to as "**Construction Works**") and which shall be executed in accordance with the Contract, the Tenant is obliged to execute them only with a prior written consent of the Landlord and/or LP within the scope of terms defined in such consent and at its own costs (except for the installation of a FE), and is also obliged to submit LP the project documents of the real design (as defined below), including digital versions made in accordance with requirements of the Landlord and/or LP announced by LP to the Tenant based on its request, after termination of such Construction Works, i.e. after the appropriate final inspection consent is issued if it is being issued. The Tenant is also obliged to submit LP copies of all accounting and other documents proving the amount and nature of expended costs for Construction Works (invoices, orders, contracts, etc.) after proper finalization of the Construction Works. The scope of executed Construction Works and also the nature (repair, technical evaluation, renovation, modernization, etc.) shall be obvious from these documents for needs of the accounting and income tax. In case the Tenant breaches the obligation according to this article, the Landlord is entitled to ask the Tenant to remove the executed unlawful alterations and modifications at its own costs without undue delay. If the Tenant fails to remove the unlawfully executed alterations, the Landlord is entitled to remove these alterations on its own at Tenant´s costs. The Tenant undertakes to dispose of the waste left over from the Construction Works executed at its own costs via LP or another authorized person. At a request, the Tenant shall document the Landlord and/or LP how the waste was disposed of based.

**6.2** As regards the preparatory phase and approval of an application for Construction Works and related project documents, the Landlord and the Tenant agreed upon the following procedure:

(a) Before executing the Construction Works, the Tenant shall submit the Landlord and/or LP a written application containing the description and scope of planned Construction works in/of the Subject of Lease (hereinafter referred to as "**the Application")** and project documents, i.e. a file of two-dimensional schemes and drawings completed with a textual part serving as a description of Construction works (hereinafter referred to as "**Project Documents**"), for the evaluation and subsequent approval. The Tenant is entitled to execute the Construction

Works in/of the Subject of Lease only within the scope of Project documents approved before by the Landlord and/or LP.

(b) Except for the Application and the Project Documents, the Tenant shall submit the Landlord and/or LP all necessary permissions and consents of all parties involved in the Construction Works according to the valid legal and other regulations (e.g. fire rescue services, preservation office, hygiene station, etc.), for which the Landlord´s and/or LP´s cooperation is not necessary.

(c) In case the Landlord or LP does not raise any comments on the submitted Application and the Project Documents, the Landlord and/or LP undertakes to send the Tenant a statement on the approval of the Construction Works and the Project Documents with an attached power of attorney for the Tenant for purpose of any proceedings before the building authority and involved bodies of the public administration when the Tenant shall act as a promoter based on an agreement between the Landlord and the Tenant if not agreed otherwise, within thirty (30) calendar days after the Tenant´s application is delivered. The Landlord and/or LP shall send the Tenant also operation conditions for Construction works together with the approval of the Construction Works and the Project Documents, which the Tenant undertakes to observe.

(d) In case the Landlord and/or LP has any comments on the Application and/or the Project Documents for the Construction Works, the Landlord and/or LP shall send such comments to the Tenant without undue delay, including requirements for removal of found deficiencies and the period for their removal.

(e) In case it is not necessary to prepare the Project Documents in connection with the Construction Works of the Subject of Lease, the Landlord and/or LP undertakes to issue the appropriate statement on the approval of Construction Works for the Tenant within fifteen (15) business days after the Tenant´s application is delivered.

**6.3** The Tenant undertakes not to initiate the Construction Works in/of the Subject of Lease before the building permission issued by the appropriate building authority becomes effective, or the consent with execution of the notified construction is granted, and before the copy of a building permit equipped with a clause on the entry into force, or the copy of a consent with execution of the announced construction, is submitted by the Tenant to the Landlord and/or LP.

**6.4** The Tenant is obliged to execute the Construction Works so that the rights and interests of other tenants situated in the Building are not breached in any way, and is also obliged not to disturb the operation of the Building with its Construction Works. The Tenant is not entitled to place or store any materials or other items, devices, gadgets and tools necessary for the realization of Construction works in/of the Subject of Lease outside the Subject of Lease. The Tenant is not entitled to limit the access to entries, passages, emergency exits or areas enabling the evacuation of persons from the Building or from roads by storing materials or building tools. The Tenant is obliged to clean daily the polluted common areas of the Building for the entire period of the Construction Works in/of the Subject of Lease. The Tenant is obliged to ensure proper liquidation of the building waste. Leaving the waste in common collecting vessels or in their surroundings, respectively in common areas of the Building or in its surroundings, is inaccessible.

**6.5** After the Construction Works are finished, the Tenant shall request the Landlord and/or LP in writing to check the executed Construction Works according to the agreed Project Documents. While checking the Construction Works, the Tenant shall provide the Landlord and/or LP with the documents of the real performance (as defined below) in two (2) copies in paper form and one (1) in digital copy, the Document part (technical specifications of the Construction works) in two (2) copies in paper form

(as defined below). The documents of the real performance are documents prepared within the scope of Attachment No. 3, Decree No. 499/2006 Coll., on Construction Documentation, with marked changes and deviations of the real performance of the Construction Works as compared to the Project Documents. The documents of real performance shall (a) be in written and digital form in the AutoCAD and MS Office file, prepared in accordance with the "Management of Airport Digital Basic Map and Methodological Guideline for Elaboration of Geodetic Documentation of Real Constructions´ Performance" standard which the Landlord or LP provided to the Tenant, and (b) which particular drawings and textual parts of a written form are identified as real performance and are signed by the designer and representative of the contractor of the Construction Works. The Tenant shall submit the Landlord and/or LP a complete document part, i.e. mainly revision reports, declaration of conformity, documents about the handover of waste to an authorized person or an order for waste liquidation via LP and documents within the scope of documents for the final inspection in terms of Act No. 183/2006 Coll., on Town and Country Planning and Building Regulations (the Building Act), as amended. In case the ADE equipment and other consecutive FSD devices are installed, the Tenant shall provide the Landlord and/or LP with the necessary documentation for comprehensive functional testing or the serviceability of installed devices. The report of such testing is a document for the occupancy permit proceedings and the issue of the occupancy permit (provided that the works were executed successfully). In case any defects are found out, the Tenant undertakes to remove them at its own costs within the period defined by the Landlord. In case the Construction Works are executed without any defect or after defects are removed, the Landlord and/or LP shall issue a statement on the executed Construction Works and further building proceedings. The Landlord´s statement shall precede the issue of the final occupancy permit or the approval with the use of the construction.

**6.6** The Tenant is obliged to finish the Construction Works in compliance with the terms mentioned in Articles 6.2 up to 6.5 of these Business Terms, to apply for the issue of the occupancy permit within six (6) months after the Contract is signed at the latest unless otherwise agreed, and to gain the occupancy permit so that the Subject of Lease is opened for trading for the public on the day referred to in Article 3.2.29 of these Business Terms at the latest while meeting all its obligations and time-limits under this Contract.

**6.7** The Tenant is obliged to submit the Landlord and/or LP the copy of the occupancy permit or the consent with the use of the construction with the specified date of its issue within three (3) business days after the occupancy permit or the consent with the use of the construction is issued. The Landlord does not undertake to pay any costs related to bringing the Subject of Lease into a condition eligible for purpose of usage under this Contract or to pay costs related to the Construction Works (in particular the costs of the preparation of the Project Documents, administrative charges and fees etc.). The Tenant undertakes to pay these costs.

**6.8** The value of the Construction Works, which have the nature of technical upgrading executed by the Tenant in the Subject of Lease with the Landlord´s consent shall be recorded as the Tenant´s property, i.e. the Landlord shall not increase the entry price of the Subject of Lease in its accounting by the value of these Construction Works, which have the nature of technical upgrading executed by the Tenant in the Subject of Lease. The Tenant shall specify such financial investments in writing in the accounting documentation submitted to the Landlord and/or LP according to Article 6.1 of Business Terms, which shall be subject to its tax depreciation. After the Tenant meets obligations according to Articles 6.5 and 6.7 of Business Terms, the Landlord shall issue a written consent with the fact that the Tenant shall apply tax depreciations of the technical upgrading from the Construction Works in its income tax base. Then the Landlord and/or LP shall provide the Tenant the information about classification of the leased property (real estate) into a depreciation group in accordance with the appropriate provision of Act No. 586/1992 Coll., on Income Tax, as amended.

**6.9** In order to bring the Subject of Lease into a condition eligible for the purpose of usage under the Contract, also in case of any Construction Works which are carried out under the Contract, the

Landlord undertakes to provide the Tenant with necessary cooperation via LP; it concerns building proceedings as well as proceedings on gaining of the appropriate authorization for the entry of the Tenant and its employees and persons ensuring preparations and realization of the Construction Works into the regime area where the Subject of Lease is located.

**6.10** If the Construction Works, due to which the Subject of Lease handed over to the Tenant in a state of completed structural work is put to a condition eligible for the purpose of usage under the Contract, require also construction works or technological installations inside the Subject of Lease, the Landlord and the Tenant shall conclude a special agreement together with this Contract, where the conditions for execution of Construction works shall be regulated differently. The Tenant shall pay any such alterations unless otherwise agreed.

**6.11** The Tenant undertakes not to provide the Landlord and/or LP with the Project Documents for the Construction Works and/or not to make any Construction Works in the Subject of Lease, which may breach copyright or other rights of authors of the Building and/or the protection of intellectual property. The Tenant is responsible for the fact that the Construction Works and the Project Documents as well as all the documentation related to the Construction Works and used in their terms (hereinafter referred to as "the **Documentation**") is in accordance with the applicable legislation of the Czech Republic, international treaties by which the Czech Republic is bound and that it does not breach interests of the Landlord and a third party and that the Construction Works and/or the Documentation do not breach copyright or other rights of any third party or the protection of intellectual property.

## VII. OPERATION CONDITIONS

**7.1** Starting from the day agreed in the Contract, the Tenant is obliged to keep the Subject of Lease opened for trading for the public for at least fourteen (14) hours daily provided that the opening hours shall begin at seven (7:00) a.m. each day, and the Tenant is obliged to ensure continuous operation of trading in the Subject of Lease during the opening hours, except for cases when it is not possible to open the Subject of Lease for trading for the public due to any damage of the Subject of Lease caused by an insured event or in other cases of force majeure or in cases approved before by the Landlord and/or LP. With a prior written consent of the Landlord and/or LP, it shall be possible to adjust the opening hours.

**7.2** Any deliveries to the Subject of Lease shall be made only in a way stipulated by the Landlord and/or LP and exclusively during night hours, between the end of the opening hours and their beginning (unless otherwise agreed and except for deliveries from the warehouse included in the Subject of Lease, which shall be possible to supply continuously while keeping safety and operation requirements of LP). The stock-taking of goods shall be performed also only during night hours.

**7.3** The Tenant acknowledges that the operation of the Subject of Lease requires a corresponding level of personnel with regards to its location and regime, mainly sufficient language knowledge and uniforms, and undertakes to take necessary measures to ensure the appropriate level of personnel.

**7.4** The Tenant is obliged to keep attractively displayed and high-quality goods in the Subject of Lease and to ensure a high level of goods´ sales and provision of services, corresponding to the level of an international airport.

**7.5** The Tenant is also obliged to keep the Subject of Lease clean and remove waste from the Subject of Lease.

**7.6** To ensure continuous sales, the Tenant shall equip its establishment in the Subject of Lease with electronic cash registers and shall ensure a contractual relation with credit companies so that the customers may pay at least with VISA and Eurocard - Mastercard - credit cards in the Subject of Lease.

**7.7** The Tenant acknowledges that it is prohibited to smoke in premises of Terminal 1, Terminal 2, Terminal 3 and also in the entire fenced area of the Airport, except for exactly specified premises where smoking is permitted (a place reserved for smoking). The Tenant is obliged to observe this prohibition of smoking unconditionally and ensure the observance of this prohibition by all persons occurring in the Subject of Lease.

**7.8** The Landlord is not responsible towards the Tenant for any damage, mainly for any loss of profits, in case of any emergency at the Airport, which may incur without any Landlord´s fault (mainly reports of explosives, interruption of energy supplies, access lock to the Subject of Lease, preventive or other measures taken in connection with terrorist attacks, fire, war, civil riots, revolt, presence of an ionizing or radioactive device, explosion or another natural disaster), based on which the Subject of Lease must be closed for the public.

**7.9** The Landlord´s obligation to compensate any Tenant´s loss incurred due to the breach of Landlord´s obligations under the Contract and/or these Business Terms and/or in connection with it is excluded to the maximum extent permitted by the applicable legislation. The Landlord´s obligation to compensate any Tenant´s loss caused by the Landlord purposely or by serious negligence, or another possible Landlord´s obligation to compensate the loss which may not be excluded or limited according to the applicable legislation, is not excluded or limited.

**7.10** The Tenant is obliged to compensate any non-property loss caused to the Landlord by the breach of Tenant´s obligations under the Contract and/or these Business Terms and/or in connection with it.

## VIII. RETURN OF THE SUBJECT OF LEASE

**8.1** The Tenant is obliged to return the Subject of Lease and/or its parts directly to the Landlord or via LP vacated, swept and clean without any damages and defects, without the internal equipment realized by the Tenant after entering into the Contract (hereinafter referred to as "**the Internal Equipment**"), without Construction works executed by the Tenant during the contractual period, which have a nature of the technical elaboration and/or their parts, in a state meeting the conditions of the Contract, i.e. in a state in which the Tenant took over the Subject of Lease from the Landlord and/or LP, taking into account common wear and tear, on the day when the lease ends due to the end of the Term of Lease or due to the end of a notice period in case of premature termination of the Contract with a notice, or within 5 days after the effective date of termination of the Contract with withdrawal. At the same time, the Tenant is obliged to hand over the Landlord and/or LP all keys, access means and items provided together with services related to usage of the Subject of Lease according to the Contract or agreements referring to this Contract as well as documents related to the Subject of Lease. A written handover certificate shall be drawn up about the handover and takeover of the Subject of Lease and all its accessories.

**8.2** The Landlord and the Tenant agree that the Tenant is not entitled to any compensation for the benefit of the Landlord or of any new tenant in connection with any kind of termination of the Contract, even in case that the Landlord or a new tenant would gain a demonstrable advantage by taking over the customer base established by the terminated Tenant.

**8.3** In case the Contract is terminated, the Landlord is entitled to buy back the Internal Equipment and/or its part, Construction Works and/or their parts executed by the Tenant during the term of the Contract, which have a nature of the technical upgrading at the Landlord´s discretion either for the tax

depreciated price according to the valid and effective Income Tax Act, as amended, or for the price corresponding to the consideration of the amount by which the value of the Subject of Lease increased based on an expert opinion made by an independent expert determined by the Landlord. In such case, the costs of such expert opinion shall be paid by the Tenant provided that the Landlord is obliged to take all reasonable efforts that such costs correspond to market prices which are common at the given time and place. If the Landlord does not enforce the right to purchase according to the previous sentence, the Tenant is obliged to remove the Internal Equipment, all its movable assets and Construction Works from the Subject of Lease at its own costs and to put the Subject of Lease into the original condition, i.e. into the condition in which the Subject of Lease was as of the day of handing it over to the Tenant when the lease under the Contract commenced (taking into account common wear and tear), at the latest on the day when the Contract is terminated or within 5 days after termination of the Contract in case of a withdrawal from the Contract. If the Tenant does not meet this obligation, the Landlord will remove the Internal Equipment and any Construction Works via LP. All costs incurred by the Landlord due to this procedure shall be consequently exacted by the Landlord from the Tenant. For purpose of paying the Internal Equipment according to this article, the payment day of the appropriate amount is the day when the amount is credited to the Landlord's account. If the maturity day falls on Saturday, Sunday or a bank holiday, it shall be shifted to the nearest preceding business day. The maturity period of any issued invoice is 30 calendar days.

**8.4** If any Tenant´s property remains in the Subject of Lease after the end of the Term of Lease and the Tenant does not remove it within seven (7) days after the LP´s notice, the Landlord is entitled to remove the mentioned property via LP from the Subject of Lease at Tenant´s costs and sell it provided that the gains from sales shall be handed over to the Tenant after deducting the costs of the sale and after setting off any Landlord´s receivables from the Tenant. If the Subject of Lease is not returned in accordance with the above mentioned provisions of Article VIII. of the Business Terms, the Tenant is responsible towards the Landlord for any caused damage.

## IX. SECURITY DEPOSIT OR BANK GUARANTEE

**9.1** The Tenant is obliged to secure performance under the Contract and these Business Terms with a Security deposit according to Article 9.2 or with a bank guarantee according to Article 9.3 of Business Terms and according to provisions of the Contract.

**9.2** Security deposit

9.2.1 The Tenant is obliged to pay the Landlord a security deposit in the amount and to the account agreed in the Contract (hereinafter referred to as "**the Security Deposit**") within the day agreed in the Contract. The VAT from the Security Deposit shall not be applied in case of its credit transfer. The Tenant guarantees the Landlord that the Security Deposit is not encumbered with the rights of any third party.

9.2.2 The Security Deposit secures all Landlord´s receivables from the Tenant incurred under the Contract or in connection with it (i.e. mainly receivables from Rent, Prices for Services and any interests on late payment, all contractual penalties, damages, costs and other expenses and entitlements from unjustified enrichment). The Landlord is entitled to draw the funds from the Security Deposit provided that the Tenant does not pay such Landlord´s receivable in a due and timely manner. The Landlord is obliged to inform the Tenant about any drawing of the funds from the Security Deposit without undue delay.

9.2.3 If the value of the Security Deposit saved in the account falls below the stipulated amount or if the pecuniary means or their part was drawn by the Landlord from the Security Deposit in accordance with the Contract, the Tenant is obliged to supplement the Security Deposit in the

account by the appropriate amount within ten (10) days after the day when such an event incurred or when the Tenant was notified of it.

9.2.4 The Landlord is obliged to refund the Security Deposit or its balance to the Tenant´s bank account after the settlement of all mutual receivables however no later than three (3) calendar months after the end of lease. The Tenant is not entitled to any interest on the Security Deposit or interest on late payment; any interest on the Security Deposit belongs to the Landlord.

**9.3** Bank Guarantee

9.3.1 The Tenant is obliged to ensure at own costs and submit the Landlord via LP the original letter of guarantee no later than on the day agreed in the Contract, or submit it by means of a bank via an authenticated tested key message SWIFT to the Landlord´s supporting bank which is UniCredit Bank Czech Republic and Slovakia, a.s., SWIFT: BACXCZPP, where an irrevocable and absolute Bank guarantee (one or more) shall be agreed on, which shall be payable upon first demand in the amount agreed in the Contract (hereinafter referred to as "**the Bank Guarantee**"). The Landlord shall provide the Tenant with the required sample text of the Bank Guarantee no later than on the effective date of the Contract. All fees related to the issue of such Bank Guarantee shall be paid by the Tenant.

9.3.2 The Tenant is obliged to ensure the issue of the Bank Guarantee for the period which exceeds the validity of a contractual relation under the Contract by ninety (90) calendar days.

9.3.3 The Bank Guarantee shall secure all Landlord´s receivables from the Tenant incurred under this Contract or in connection with this Contract (i.e. mainly receivables from Rent, Prices for Services and any interest on late payment, all contractual penalties, damages, costs and other expenses and entitlements from unjustified enrichment). The Landlord is entitled to draw the bank guarantee provided that the Tenant does not pay such Landlord´s receivable in a due and timely manner. The Landlord is obliged to inform the Tenant via LP about any drawing of the Bank Guarantee without undue delay.

9.3.4 If the amount mentioned in the letter of guarantee issued by the bank decreases due to its drawing by the Landlord in accordance with these Business Terms, the Tenant is obliged to supplement the Bank Guarantee to the original stipulated amount and submit the Landlord via LP the original of a new warranty card within ten (10) calendar days after the day when such an event incurred or when it was notified to the Tenant, or to submit it by means of a bank via an authenticated tested key message SWIFT to the Landlord´s supporting bank which is UniCredit Bank Czech Republic and Slovakia, a.s., SWIFT: BACXCZPP, where an irrevocable and absolute Bank Guarantee (one or more) shall be agreed on, which shall be payable upon first demand in the amount agreed in the Contract.

## X. LANDLORD´S LIEN TO MOVABLE ASSETS OF THE TENANT

**10.1** In order to secure Landlord´s receivables from the Tenant, including payment of the Rent due based on the Contract in case that the Tenant does not pay the Landlord properly the Rent or other receivables due based on the Contract, the Tenant and the Landlord declare accordingly that Section 2234, Act No. 89/2012 Coll., Civil Code, as amended, shall be applied to the legal relation established between them by the Contract to full extent. According to this Act, the Landlord has a lien to all movable assets of the Tenant, which the Tenant has in or of the Subject of Lease.

**10.2** If the Tenant does not pay the Rent due based on the Contract and removes or tries to remove its movable assets (including goods) from the Subject of Lease, the Landlord is entitled to take reasonable measures to prevent the Tenant from removing its movable assets from the Subject of Lease in order to ensure payment of the Rent due based on the Contract. A list of such movable assets shall be drawn up by a bailiff within eight (8) days after the Landlord retains the movable assets.

## XI. CONTRACTUAL PENALTIES

**11.1** The Tenant undertakes to pay the Landlord all the contractual penalties mentioned below to the Landlord´s account mentioned in the notice of payment of the appropriate amount.

**11.2** If the Tenant breaches the obligation mentioned in Article 3.2.28 of these Business Terms, the Landlord is obliged to request from the Tenant and the Tenant is obliged to pay the Landlord a contractual penalty amounting CZK 50,000 for each individual breach. In case the breach of an obligation lasts for more than fifteen (15) days after the right to payment of a contractual penalty was enforced, the Landlord is entitled to apply and the Tenant is obliged to pay a contractual penalty also repeatedly. If the Tenant breaches its obligation mentioned in Article 3.2.28 of these Business Terms and terminates the Contract with a written notice before the end of the agreed Term of Lease because it lost the capability to run the business activity for which it leased the Subject of Lease, if it was enabled eventually by a peremptory statutory provision, the Tenant is obliged to pay the Landlord, except for other contractual penalties according to these Business Terms, a contractual penalty for the period from termination of the Contract to the end of the agreed Term of Lease amounting the sum of a double (2x) monthly Basic Rent including the Price for Services and the amount of an average monthly Rent from Turnover calculated for the last three (3) entire calendar months, except for the period when the Subject of Lease was closed.

**11.3** If the Tenant breaches any of the obligations mentioned in Article 7.1 of these Business Terms (operation obligation), the Landlord is obliged to request from the Tenant and the Tenant is obliged to pay the Landlord a contractual penalty, corresponding to the sum of the Basic Rent including the Price for Services and the amount of an average monthly Rent from Turnover calculated for the last three (3) entire calendar months, except for the period when the Subject of Lease was closed, for each day of default on proper meeting of obligations. If the period from the beginning of the Term of Lease to the Tenant´s breach of the above mentioned obligation is shorter than three (3) entire calendar months, the triple (3x) monthly Minimum Rent from Turnover is considered the average Rent from Turnover in order to calculate the contractual penalty; if the Minimum Rent from Turnover is not agreed, the triple (3x) monthly Basic Rent shall be used to calculate the contractual penalty.

11.4 In case any of the obligations stipulated in Article 3.2.9.1 and/or Article 3.2.30 and/or Article 3.2.31 and/or Article 3.2.32 and/or Article 3.2.33 and/or Article 3.2.34 and/or Article 3.2.36 and/or Article 3.2.40 of these Business Terms is breached, the Landlord is obliged to request from the Tenant and the Tenant is obliged to pay the Landlord a contractual penalty amounting CZK 100,000 for each individual breach. In case the breach of an obligation lasts for more than fifteen (15) days after the right to payment of a contractual penalty is enforced, the Landlord is entitled to apply and the Tenant is obliged to pay the contractual penalty also repeatedly, even more times.

**11.5** In case any of the obligations stipulated in Article 3.2.9 (except for the provision of Article 3.2.9.1.) and/or Article 3.2.17 and/or Article 3.2.19 and/or Article 3.2.23 and/or Article 3.2.24 and/or Article 3.2.38 and/or Article 3.2.39 of these Business Terms is breached, the Landlord is obliged to request from the Tenant and the Tenant is obliged to pay the Landlord a contractual penalty amounting CZK 50,000 for each individual breach. In case the breach of an obligation lasts for more than fifteen (15)

days after the right to payment of a contractual penalty is enforced, the Landlord is entitled to apply and the Tenant is obliged to pay the contractual penalty also repeatedly, even more times.

**11.6** In case the Tenant is on default in meeting of obligations mentioned in Article 8.1 and/or 8.3 of these Business Terms, the Landlord is obliged to request from the Tenant and the Tenant is obliged to pay the Landlord for each day of delay a contractual penalty corresponding to the sum of a double (2x) monthly Basic Rent including the Price for Services and the amount of an average monthly Rent from Turnover calculated for the last three (3) entire calendar months, except for the period when the Subject of Lease was closed.

11.7 In case any of the obligations stipulated in Article 3.2.1 and/or Article 3.2.2 and/or Article 3.2.3 and/or Article 3.2.4 and/or Article 3.2.5 and/or Article 3.2.8 and/or Article 3.2.10 and/or Article 3.2.11 and/or Article 3.2.12 and/or Article 3.2.13 and/or Article 3.2.14 and/or Article 3.2.15 and/or Article 3.2.16 and/or Article 3.2.18 a and/or Article 3.2.20 and/or Article 3.2.21 and/or Article 3.2.25 and/or Article 3.2.26 and/or Article 3.2.27 and/or Article 3.2.29 and/or 3.2.37 of these Business Terms is breached, the Landlord is obliged to request from the Tenant and the Tenant is obliged to pay the Landlord a contractual penalty amounting CZK 15,000 for each individual breach. In case the breach of an obligation lasts for more than fifteen (15) days after the right to payment of a contractual penalty is enforced, the Landlord is entitled to apply via LP and the Tenant is obliged to pay the contractual penalty also repeatedly, even more times.

11.8 In case any of the obligations stipulated in Article 3.2.10 and/or Article 3.2.10.1 of these Business Terms is breached, the Landlord is obliged to request from the Tenant and the Tenant is obliged to pay the Landlord a contractual penalty amounting CZK 10,000 for each individual breach. In case the breach of an obligation lasts for more than fifteen (15) days after the right to payment of a contractual penalty is enforced, the Landlord is entitled to apply via LP and the Tenant is obliged to pay the contractual penalty repeatedly, even more times.

11.9 In case any of the obligations stipulated in Article 3.2.41 of these Business Terms is breached, the Landlord is obliged to request from the Tenant and the Tenant is obliged to pay the Landlord a contractual penalty amounting CZK 5,000 a day for the duration of the breach of the obligation by the Tenant unless the Tenant remedies such breach within thirty (30) days from receiving a written notice to remedy the breach from the Landlord or a person authorized by the Landlord, for instance LP.

11.10 In case any of the Tenant´s obligations mentioned in Article 6.1 and/or Article 6.2 and/or Article 6.3 and/or Article 6.4 and/or Article 6.5 and/or Article 6.6 and/or Article 6.7 of these Business Terms are breached, the Landlord is obliged to request from the Tenant and the Tenant is obliged to pay a contractual penalty amounting CZK 100,000 for breach of any, even single obligation mentioned in these Articles.

11.11 In case the Tenant breaches any of its obligations mentioned in Article 6.11 of these Business Terms, the Landlord is obliged to request from the Tenant and the Tenant is obliged to pay the Landlord a contractual penalty the amount of which equals to all costs incurred by the Landlord due to the Tenant´s breach of this obligation mentioned in Article 6.11, mainly costs incurred in connection with claims of the third party lodged in consequence of the Construction Works executed. This provision does not affect the Landlord´s right to compensation to the full extent.

11.12 In case any of the Tenant´s obligation stipulated in Article 9.1 and/or Article 9.2 and/or Article 9.3 of these Business Terms is breached, the Landlord is obliged to request from the Tenant and the Tenant is obliged to pay the Landlord a contractual penalty amounting CZK 30,000 for each individual breach. In case the breach of an obligation lasts for more than fifteen (15) days after the right to payment of a

contractual penalty is enforced, the Landlord is entitled to apply via LP and the Tenant is obliged to pay the contractual penalty also repeatedly, even more times.

11.13 In case any of other Tenant´s obligation stipulated in (i) of Article I. to XIV. of these Business Terms, except for Article 3.2.1 and/or Article 3.2.2 and/or Article 3.2.3 and/or Article 3.2.4 and/or Article 3.2.5 and/or Article 3.2.8 and/or Article 3.2.9. and/or Article 3.2.10. and/or Article 3.2.11 and/or Article 3.2.12 and/or Article 3.2.13 and/or Article 3.2.14 and/or Article 3.2.15 and/or Article 3.2.16 and/or Article3.2.17 and/or Article3.2.18 and/or Article 3.2.19 and/or Article 3.2.20 and/or Article 3.2.21 and/or Article 3.2.23 and/or Article 3.2.24 and/or Article 3.2.25 and/or Article 3.2.26 and/or Article 3.2.27 and/or Article 3.2.28 and/or Article 3.2.29 and/or Article 3.2.30 and/or Article 3.2.31 and/or Article3.2.32 and/or Article 3.2.33 and/or Article 3.2.34 and/or Article 3.2.36 and/or Article 3.2.27 and/or Article 3.2.38 and/or Article 3.2.39 and/or Article 3.2.40 and/or Article 3.2.42 and/or Article 6.1 and/or Article 6.2 and/or Article 6.3 and/or Article 6.4 and/or Article 6.5 and/or Article 6.6 and/or Article 6.7 and/or Article 6.11 and/or Article 7.1 and/or Article 8.1 and/or Article 8.3 and/or Article 9.1 and/or Article 9.2 and/or Article 9.3 and/or (ii) Article II. to Article V. and/or Article VII. of the Contract is breached, the Landlord is obliged to request from the Tenant and the Tenant is obliged to pay the Landlord a contractual penalty amounting CZK 15,000 for each individual breach if it does not remedy such a breach within seven (7) days after receiving a written notice to remove such breach from the Landlord and/or LP. In case the breach of an obligation lasts for more than seven (7) days after the right to payment of a contractual penalty is enforced, the Landlord is entitled to apply via LP and the Tenant is obliged to pay the contractual penalty repeatedly, even more times.

11.14 If the Tenant does not pay any amount according to Business Terms or the Contract properly and on time, the Tenant is obliged to pay the Landlord a contractual interest on late payment amounting 0,05% of the amount due for each initiated day of delay.

11.15 The claim on compensation of damage caused by the breach of an obligation which meeting is ensured by contractual penalties according to this Article is not affected.

## XII. LEASE TERMINATION

**12.1** The Contract may be terminated:

(a) By a written agreement of the Contracting parties as of the date mentioned in such an agreement;

(b) After the expiry of the Term of Lease;

(c) By a notice according to these Business Terms; or

(d) By a written withdrawal in cases mentioned in these Business Terms.

**12.2** The Landlord may terminate the Contract in writing before the end of the Term of Leases if:

(a) The Tenant uses the Subject of Lease in conflict with the Contract or Business Terms and does not ensure any remedy though a written notice was sent to it, where a period for remedy of a defective state was stipulated; or

(b) The Tenant is for more than fifteen (15) calendar days on default in payment of the Rent or any of its parts or the Price for Services or its part according to the Contract and these Business Terms and does not remedy this default within seven (7) calendar days after the call for payment of amounts due is received; or

(c) The Tenant breaches seriously fire security of the building (i.e. the Building and/or the Subject of Lease), calm or order though the Landlord warned it in writing and stipulated a period for remedy of a defective state; or

(d) The Building where the Subject of Lease is located is to be removed or renovated so that it hinders from further usage of the Subject of Lease or its parts and the Landlord did not have to or could not foresee it when entering into the Contract; by this notice reason the Landlord is entitled to terminate the Contract before the expiry of the Term of Lease also in case when (i) the decision on removal of the Building and/or the decision on reconstruction of the Building was evoked based on the Landlord´s subjective wish and/or (ii) the Landlord does not dispose of any decision of the appropriate administrative body on removal or reconstruction of the Building; or

(e) The Tenant leaves the Subject of Lease for sublease or usage by a third party without the Landlord´s prior written consent; or

(f) The Tenant changes the objects of its business in the Subject of Lease (change of the usage of premises serving for business) or changes the range of goods without a prior written consent of the Landlord and/or LP; or

(g) The Tenant realized one of intentions mentioned in Article 3.2.36 of these Business Terms; in such a case the Landlord is entitled to denounce the Contract within one (1) month after it got to know demonstrably about it however the maximum is within one (1) year after such an intention was realized; the Landlord has this entitlement also in case that the Tenant informed it about such an intention properly and on time according to Article 3.2.36 of Business Terms.

(h) The Tenant breaches repeatedly provisions of the Contract and/or these Business Terms though warned by the Landlord in writing.

(i) The Tenant and/or a person similar to a statutory representative and/or a member of the Tenant´s supervisory body, or a parental and/or controlling entity of the Tenant (including members of statutory and supervisory bodies) (i) interferes and/or threatens to interfere by its conduct with the reputation of the Landlord and/or Letiště Praha, a. s., or of its legal successor, and/or (ii) prejudices by its conduct and/or threatens to prejudice legitimate interests of the Landlord and/or Letiště Praha, a. s., of of its legal successor, and/or (iii) causes by its conduct and/or threatens to cause a non-property loss to the Landlord and/or Letiště Praha, a. s., or to its legal successor (including but not limited to a non-property loss of interests for which promotion the Landlord and/or Letiště Praha, a. s., or its legal successor, was established), and/or (iv) decreases by its conduct and/or threatens to decrease the public opinion on the Landlord and/or Letiště Praha, a. s., or on its legal successor.

(j) The Tenant does not cease to breach any of its obligations stipulated in Article 3.2.41 of these Business Terms and Conditions even after the lapse of sixty (60) days from receiving a written notice indicating the breach of such obligation from the Landlord.

**12.3** The Tenant is entitled to terminate the Contract in writing only if:

(a) The Subject of Lease becomes incapable of usage for purpose of the lease according to the Contract without any Tenant´s fault; or

(b) The Landlord breaches its obligations of maintenance and repairs of the Subject of Lease, to which it is obliged, though warned in writing by the Tenant and after a period stipulated by the Tenant for remedy.

**12.4** The termination notice of lease (Contract) shall be in writing and delivered to the other Contracting Party. The notice period for situations mentioned in previous Articles 12.2 and 12.3 is one (1) month and starts to run on the day on which the written notice is delivered to the other Contracting Party. The Contracting Parties agree that in case of the Landlord´s termination notice of lease (Contract) the Landlord is not obliged to provide the Tenant any severance pay, compensation or other compensation benefits.

**12.5** The Contracting parties agreed that for purpose of Article 12.3 (a) the Subject of Lease is considered as incapable of usage if (i) its state hinders the Tenant from usage of any part of the Subject of Lease for more than one (1) calendar month during the Term of Lease in consequence of the Landlord´s breach of the obligation arising from Business Terms or from the Contract or appropriate legal regulations and the Landlord does not ensure any remedy within the sufficient period of fifteen (15) business days after the Tenant´s written call for such an action, or (ii) its state hinders the Tenant from usage of any part of the Subject of Lease for more than three (3) calendar months during the Term of Lease by another reason not caused, completely or partially, by the Tenant and the Landlord does not ensure any remedy within the sufficient period of twenty (20) business days after the Tenant´s written call for such an action.

**12.6** By delivering a written notice, the Landlord may withdraw from the Contract before the expiry of the Term of Lease with effect as of the day on which such written notice is delivered to the Tenant. Such withdrawal may be based on the following reasons:

(a) The Tenant is on default in any compulsory payment for more than fifteen (15) calendar days and does not pay the amount even within a grace period of seven (7) calendar days after the Landlord´s written call; or

(b) The Tenant assigns its rights and/or obligations arising from Business Terms or from the Contract to a third party without the Landlord´s prior written consent, or assigns the Contract to a third party without the Landlord´s prior written consent, or enables a third party to use the Subject of Lease or its part based on a sublease agreement or based on another legal title than a sublease agreement or without any legal title;

(c) The Tenant gets into a situation when (i) the court opens insolvency proceedings in compliance with the valid and effective act regulating the insolvency, bankruptcy and ways of its settlement (hereinafter referred to as “the Insolvency Act”), or (ii) the court decides on bankruptcy in compliance with the Insolvency Act, or (iii) the court decides the cancellation of bankruptcy proceedings because the debtor´s property is not sufficient to satisfy receivables of creditors, or (iv) the Tenant submits an insolvency proposal on its own in compliance with the Insolvency Act, or (v) a decision on the mandatory or involuntary cancellation of the Tenant is adopted (except for cases of a merger or fusion or another case of legal succession); or

(d) The Tenant does not obtain any permissions, licenses, trade licenses, approvals, consents or other licenses necessary for the operation of the subject of enterprise, to which the Tenant

undertook in this Contract, or if they are detracted lawfully, and/or the Tenant terminates an agreement or any agreement is terminated with the Tenant (e.g. franchise agreement), and/or the Tenant loses any authorization, permission or license for sales of goods and/or provision of services specified in the Purpose of Lease and/or if it is detracted (e.g. permission of a producer to sell goods or provide services of a certain brand); or

(e) The Tenant (i) does not open, and/or (ii) ceases or suspends the operation of its business activity in the Subject of Lease in accordance with the purpose of lease agreed in the Contract and does not renew its activity within an adequate period stipulated by the Landlord or LP in a written call sent to the Tenant; or

(f) The Tenant breaches provisions of Article 3.2.29, 3.2.30, 3.2.31 and/or 3.2.32 of these Business Terms in any way and does not remedy such breach even within a grace period of fifteen (15) calendar days, or does not take any necessary measures to comply with these provisions; or

(g) The Turnover and Turnover from foreign exchange gains (the sum of the Turnover and Turnover from foreign exchange gains) in any two (2) consecutive calendar quarters during the Term of Lease does not reach such an amount that the Rent from Turnover calculated from such Turnover and Turnover from foreign exchange gains (the sum of the Turnover and Turnover from foreign exchange gains) in the given two (2) calendar quarters is equal at least to the Minimum amount of the Rent from Turnover; or

(h) The Tenant does not meet its obligation mentioned in Article 3.2.36 of these Business Terms, and/or if a third party which enters, even partially, into the Tenant´s rights and obligations under the Contract according to Article 3.2.36 of these Business Terms has some unpaid liabilities towards the Landlord due after the maturity period for more than sixty (60) days as of the date of its entry, and/or if such third party does not meet all conditions in the field of civil aviation security and civil aviation protection against illegal acts, stipulated by the applicable legislation. In case of any doubts it is considered that a third party meets the conditions of the valid legal regulations concerning the Airport´s operation if it submits the Landlord a conformable statement of the Department for Civil Aviation of the Ministry of Transport concerning this issue; or

(i) The Tenant does not meet any obligation arising from Article IX. of these Business Terms; or

(j) The Tenant breaches another obligation under the Contract and does not remedy such a breach even within an additional adequate period mentioned in the Landlord´s written call for removal of such a breach; the period shall not be shorter than ten (10) calendar days; or if the Tenant breaches repeatedly any obligation under this Contract though repeatedly warned by the Landlord and/or LP whereas such a breach is caused by the Tenant, no matter if purposely or by negligence; or

(k) The Tenant breaches any obligation mentioned in Article VI. of these Business Terms; or

(l) The Tenant breaches its obligation of fire protection and security and breaches by its conduct ADE, ESS technologies and other fire security devices (FSD) including fire extinguishers (FE); or

(m) The Tenant does not pay the Security deposit to the account, in the amount and within the period according to Article VI. of the Contract, or does not provide the Landlord with the Bank collateral according to the Contract and these Business Terms; or

(n) The Tenant and/or a person similar to a statutory representative and/or a member of the Tenant´s supervisory body, eventually a parental and/or controlling entity of the Tenant (including members of statutory and supervisory bodies) (i) interferes and/or threatens to interfere by its conduct with the reputation of the Landlord and/or Letiště Praha, a. s., eventually of its legal successor, and/or (ii) breaches by its conduct and/or threatens to breach legitimate interests of the Landlord and/or Letiště Praha, a. s., eventually of its legal successor, and/or (iii) causes by its conduct and/or threatens to cause a non-property loss to the Landlord and/or Letiště Praha, a. s., eventually to its legal successor (including but not limited to a non-property loss of interests for which promotion the Landlord and/or Letiště Praha, a. s., eventually its legal successor, was established), and/or (iv) decreases by its conduct and/or threatens to decrease the public opinion on the Landlord and/or Letiště Praha, a. s., eventually on its legal successor.

## XIII. CHANGE OF THE SUBJECT OF LEASE IN TERMS OF TENANT´S RELOCATION

**13.1** The Tenant is aware of the fact that the structure concept of tenants at the Airport may be changed during the Term of Lease.

**13.2** The Tenant agrees with the fact that the Landlord is at any time entitled to request the Tenant to negotiate about the relocation of the Tenant and the Subject of Lease to another place and/or to other premises or room within the Airport, which is at least comparable with the original Subject of Lease as regards the location (in terms of areas and/or premises of the Airport) and basic technical parameters including the size and conditions for the access of customers, and the Tenant is obliged to negotiate with the Landlord about such relocation in good faith.

**13.3** The reason for relocation of the Tenant and the Subject of Lease within the Airport may be mainly:

13.3.1 Change of the structure concept of tenants at the Airport;

13.3.2 Change of the marketing or sales conception at the Airport, which brings the need for relocation of the Tenant and the Subject of Lease, including changes of the floor area;

13.3.3 Security at the Airport or any other security measures due to which it is necessary or suitable to relocate the Tenant and the Subject of Lease; or

13.3.4 Construction works at the Airport, mainly construction or reconstruction of the Airport s infrastructure.

**13.4** If the Landlord requires relocation of the Tenant and the Subject of Lease for one or more reasons mentioned in this Article and no complete agreement between the Landlord and the Tenant on the relocation of the Tenant and the Subject of Lease is concluded within one (1) month after the delivery of a notice for relocation of the Tenant and the Subject of Lease, i.e. no amendment to the Contract regulating the change of the Subject of Lease and consisting in the replacement of the present Subject of Lease by another subject of lease which the Contracting Parties have agreed on is concluded, either Contracting party is entitled to withdraw from the Contract with effect as of the moment when the withdrawal is delivered to the other Contracting party.

**13.5** The Tenant is entitled to ask for the reimbursement of reasonable and demonstrably incurred costs related to the relocation of the Subject of Lease within the Airport, in connection with the relocation of the Subject of Lease.

**13.6** Even after relocation, provided that the Landlord meets its obligations according to this Article, the Tenant continues to be bound by the Contract and is not entitled to withdraw from the Contract after its conclusion or to terminate it in another way by reasons of relocation of the Tenant and the Subject of Lease.

## XIV. FINAL PROVISIONS

**14.1** **Notices:** Unless otherwise stipulated in each particular case in the Contract, any and all notices, requests or other communication made by either Contracting Party based in connection with the Contract shall be in writing and considered as properly received at the moment when they are delivered to the other Contracting Party in person, via a courier service providing the verification of deliveries, via registered mail, fax or data box, in terms of Act No. 300/2008 Coll., on Electronic Acts and Authorized Document Conversion, as amended (hereinafter referred to as "**the Data Box Act**"), to addresses and contacts mentioned in the Contract or to another address and contact which the appropriate Contracting party announces to the other Contracting party in a way according to this provision.

All notices made based on the Contract shall be considered received:

(a) At the moment of their handover if delivered in person;

(b) On the day of their physical acceptance by the addressee in case of personal delivery or delivery via a courier service; or

(c) On the day mentioned in the advice of delivery in case of delivery via registered mail;

(d) On the day mentioned in the confirmation of an uninterrupted fax transmission in case of delivery per fax; or

(e) On the day of the Tenant´s or Landlord´s login into a data box according to the Data Box Act; or

(f) On the third day after its demonstrable posting if the Contracting Party does not take over the consignment at the address valid for sending mail for its attention according to the Contract or according to the Companies Register (including registered mail). For the avoidance of any doubts, the provision of the previous sentence shall not apply to Article XIII (14.1) e).

The Contract specifies contact persons. The Contracting Parties are entitled to change such contact persons without the need to enter into an amendment to the Contract by way of a written notice sent by registered mail for attention to a statutory body of the Tenant or the Landlord to the address of the relevant Contracting Party, specified on the front page of the Contract.

**14.2** **Setting off:** The Tenant is not entitled to set off its liabilities against receivables from the Landlord or to assign such receivables to any third party unless the court renders a final decision on these receivables or unless the Landlord recognizes them in writing. The Tenant is not entitled to set off any uncertain or indeterminate receivables. The Landlord is entitled to set off its receivables from the Tenant unilaterally, including any uncertain or indeterminate receivables. The Landlord is entitled to set off any Tenant´s payment or receivable, including the Security deposit or Bank collateral, made based on the Contract against the oldest receivables arising from this Contract or these Business Terms and shall inform the Tenant about it only in writing to the address mentioned in the heading of the Contract or to the delivery address if it is mentioned in the Contract.

**14.3** **Meeting of a liability:** The provision of Section 1932 and 1933, the Civil Code, shall not apply. The Landlord is entitled to determine via LP which Tenant´s liability towards the Landlord shall be met firstly if the Tenant is supposed to meet several liabilities and the provided performance is not sufficient for meeting of all liabilities.

**14.4** **Assignment of rights and obligations, assignment of the Contract, transfer of rights under the Contract:** The Tenant is entitled to assign its rights or receivables under this Contract or to assign the Contract as a whole only with a prior written consent of the Landlord provided via LP.

**14.5** **Transfer of the lease of premises used for enterprising:** The Tenant is entitled to transfer the lease of the Subject of Lease only with an express prior written consent of the Landlord.

**14.6** **Change of the owner:** If the owner of the Subject of Lease is changed, the rights and obligations under the lease shall be transferred to a new owner. The Tenant is not entitled to denounce the Contract and terminate the lease just because the owner of the Subject of Lease is changed.

**14.7** **Changes and amendments:** The Contract together with its attachments is a complete agreement of the Contracting parties upon its subject and replaces in connection with this subject all prior written or oral agreements and arrangements of the Contracting parties. Any changes or amendments to this Contract will not be valid if they are not executed as written numbered amendments signed by legitimate representatives of both Contracting parties.

**14.8** **Divergent provisions in the Business Terms and in the Contract:** If any provisions of the Contract are divergent from provision of Business Terms, provisions of the Contract will prevail over provisions of Business Terms.

**14.9** **Confidentiality of information:** The Contracting Parties consider all information included in the Contract or gained in connection with it as confidential. Neither Contracting Party may disclose such information to a third party without the other Contracting Party's prior written consent, except for cases when (a) such disclosure is required by law, or (b) by competent public authorities acting based on legal regulations and in accordance with them, or (c) such information is already publicly available in accordance with the applicable legislation or with the Contract, or (d) such information is made available to legal or other advisors of the appropriate Contracting party provided that these advisors are obliged to keep confidentiality within the same or even bigger scope based on a contract or by law, or (e) such information is necessary for the protection of legitimate interests of the Contracting Party in case the other Contracting Party breaches obligations under the Contract, or (f) such information is disclosed to the incorporator or shareholders or partners of the Contracting Party within the necessary extent, or (g) such information is announced to LP, or (h) such information is disclosed to the party interested in purchase of the Tenant, Landlord or the entire Airport entity where the Subject of Lease is located provided that such interested party is obliged to keep confidentiality within the same or even bigger extent as in this section. The Contract, Business Terms, lease relation between the Landlord and the Tenant and the rights and obligations of the Contracting parties arising from it are regulated and shall be interpreted in accordance with the Czech law.

**14.10** **Governing law:** Rights and obligations of the Contracting Parties, which are not expressly regulated by the Contract or these Business Terms are governed by provisions of Act No. 89/2012 Coll., Civil Code, as amended, and other applicable legislation of the Czech Republic. The Landlord and the Tenant agree that the termination of this Contract shall be regulated exclusively by Business Terms and by the Contract. The Contracting Parties agreed that provisions of Sections 1765, 1766, 1809, 1987 (2), 2208, 2209, 2210 (2) and (3), 2212, 2227, 2232, 2303, 2305, 2308, 2311, 2315, and 2050 of the Civil Code, shall not apply to the Contract and relations arising from the Contract.

**14.11** **Settlement of disputes:** The Contracting Parties undertake to settle any disputes or conflicts arising from the Contract or in connection with it amicably. If the Contracting Parties do not reach amicable settlement of a dispute or conflict within an adequate period of time not exceeding thirty (30) days in each case, such dispute or conflict shall be resolved in courts of the Czech Republic, where the laws and other legal regulations of the Czech Republic regulating this contractual field shall be followed. The Contracting Parties agreed that the court competent to resolve any possible disputes shall be the court having subject-matter and territorial jurisdiction over the Landlord.

**14.12** **Validity and effect:** These Business Terms come into force and become effective as an integral part of the Contract on the same day on which the Contract becomes effective.