ČEZ, a. s. Contract No.

**Framework Agreement for Investment and Financial Consulting Services**

**Part 1 – Investment Consulting**

The Parties:

**ČEZ, a. s.**

Registered office: Prague 4, Duhová 2/1444, 140 53

Represented by: JUDr. Michaela Chaloupková, MBA, Director of ČEZ, a. s., and

Ing. Martin Novák, MBA, Director of ČEZ, a. s.

Company ID (IČO): 45274649, Tax ID (DIČ): CZ45274649

Account No. 71504011/0100

The Company is registered in the Companies Register administered by the Municipal Court in Prague, Section B, Entry 1581

(hereinafter the “**Customer**”) on the one part

and

**Provider No. 1**

Name, business name:

Registered office:

Represented by:

Company ID (IČO):

Tax ID (DIČ):

bank details: .

Account No.

……………………….. is registered in the Companies Register administered by …………… Court in …………., File No. …………..

*Framework Agreement number of Provider 1:*

and

**Provider No. 2**

Name, business name:

Registered office:

Represented by:

Company ID (IČO):

Tax ID (DIČ):

bank details: .

Account No.

……………………….. is registered in the Companies Register administered by …………… Court in …………., File No. …………..

*Framework Agreement number of Provider 2:*

and

**Provider No. 3**

Name, business name:

Registered office:

Represented by:

Company ID (IČO):

Tax ID (DIČ):

bank details: .

Account No.

……………………….. is registered in the Companies Register administered by …………… Court in …………., File No. …………..

*Framework Agreement number of Provider 3:*

and

**Provider No. 4**

Name, business name:

Registered office:

Represented by:

Company ID (IČO):

Tax ID (DIČ):

bank details: .

Account No.

……………………….. is registered in the Companies Register administered by …………… Court in …………., File No. …………..

*Framework Agreement number of Provider 4:*

and

**Provider No. 5**

Name, business name:

Registered office:

Represented by:

Company ID (IČO):

Tax ID (DIČ):

bank details: .

Account No.

……………………….. is registered in the Companies Register administered by …………… Court in …………., File No. …………..

*Framework Agreement number of Provider 5:*

and

**Provider No. 6**

Name, business name:

Registered office:

Represented by:

Company ID (IČO):

Tax ID (DIČ):

bank details: .

Account No.

……………………….. is registered in the Companies Register administered by …………… Court in …………., File No. …………..

*Framework Agreement number of Provider 6:*

and

**Provider No. 7**

Name, business name:

Registered office:

Represented by:

Company ID (IČO):

Tax ID (DIČ):

bank details: .

Account No.

……………………….. is registered in the Companies Register administered by …………… Court in …………., File No. …………..

*Framework Agreement number of Provider 7:*

and

**Provider No. 8**

Name, business name:

Registered office:

Represented by:

Company ID (IČO):

Tax ID (DIČ):

bank details: .

Account No.

……………………….. is registered in the Companies Register administered by …………… Court in …………., File No. …………..

*Framework Agreement number of Provider 8:*

and

**Provider No. 9**

Name, business name:

Registered office:

Represented by:

Company ID (IČO):

Tax ID (DIČ):

bank details: .

Account No.

……………………….. is registered in the Companies Register administered by …………… Court in …………., File No. …………..

*Framework Agreement number of Provider 9:*

*and*

**Provider No. 10**

Name, business name:

Registered office:

Represented by:

Company ID (IČO):

Tax ID (DIČ):

bank details: .

Account No.

……………………….. is registered in the Companies Register administered by …………… Court in …………., File No. …………..

*Framework Agreement number of Provider 10:*

*and*

**Provider No. 11**

Name, business name:

Registered office:

Represented by:

Company ID (IČO):

Tax ID (DIČ):

bank details: .

Account No.

……………………….. is registered in the Companies Register administered by …………… Court in …………., File No. …………..

*Framework Agreement number of Provider 11:*

and

**Provider No. 12**

Name, business name:

Registered office:

Represented by:

Company ID (IČO):

Tax ID (DIČ):

bank details: .

Account No.

……………………….. is registered in the Companies Register administered by …………… Court in …………., File No. …………..

*Framework Agreement number of Provider 12:*

and

**Provider No. 13**

Name, business name:

Registered office:

Represented by:

Company ID (IČO):

Tax ID (DIČ):

bank details: .

Account No.

……………………….. is registered in the Companies Register administered by …………… Court in …………., File No. …………..

*Framework Agreement number of Provider 13:*

and

**Provider No. 14**

Name, business name:

Registered office:

Represented by:

Company ID (IČO):

Tax ID (DIČ):

bank details: .

Account No.

……………………….. is registered in the Companies Register administered by …………… Court in …………., File No. …………..

*Framework Agreement number of Provider 14:*

and

**Provider No. 15**

Name, business name:

Registered office:

Represented by:

Company ID (IČO):

Tax ID (DIČ):

bank details: .

Account No.

……………………….. is registered in the Companies Register administered by …………… Court in …………., File No. …………..

*Framework Agreement number of Provider 15:*

(hereinafter the “**Provider**”**)** on the other part

(the Customer and the Provider are hereinafter jointly referred to as the “**Parties**” and/or each individually as a “**Party**”)

have entered into the following framework agreement for the provision of services (hereinafter the “**Framework Agreement**”) as per Section 1746(2) of Act No. 89/2012 Coll., the Civil Code, as amended (the “**Civil Code**”). In line with the provisions of Act No. 137/2006 Coll., the Public Contracts Act, as amended (the “**Public Contracts Act**”), the Customer enters into a single Framework Agreement with all selected participants (winning bidders). The rights and obligations of the Parties hereto are, however, at all times considered to exist independently between the Customer and each individual participant (bidder) as the provider.

**Article I Purpose and Subject Matter of the Framework Agreement**

1. The purpose of this Framework Agreement is to provide investment consulting services that are necessary for the Customer’s business operations.
2. The subject matter of this Framework Agreement is to set rights and obligation of the Parties for the procedure in entering into individual agreements for investment consulting services that are specified in Article II(6) hereof depending on the Customer’s particular needs (hereinafter the “**Consulting Services**”).
3. The Provider's services are limited to those that are usually provided by a professional financial adviser/consultant. The Provider will not be responsible for providing or obtaining commercial advice or professional advice or services in areas outside its expertise, such as services normally provided or performed by a technical, legal, regulatory, accounting, tax or environmental consultant/adviser or where another consultant/adviser is involved (or should usually be involved).
4. The Customer understands and agrees that notwithstanding the fact the services are to be provided by the Provider, the Customer is the party that is responsible for all decisions on whether or not to enter into the proposed transaction or any other transactions and/or under what terms conditions.

**Article II Specification of the Consulting Services**

1. Individual contracts will be awarded for individual Consulting Services under this Framework Agreement, unless such awarding is subject to the exemption as per Sections 29, 31 and 158 of the Public Contracts Act.
2. The individual contracts referred to in the previous paragraph will be awarded in line with Section 132(3)(a) of the Public Contracts Act, i.e. with the resumption of competition, in the so-called mini-tender between the Providers. The Customer will always invite at least three (3) Providers from all Providers with whom this Framework Agreement has been entered into to submit a bid for individual performance; the Customer will do so by making a call for bids in which the required individual performance is to be specified (hereinafter the “**Call**”).

Three (3) Providers will be called to submit a bid depending on the greatest similarity of the relevant reference projects that confirm the Provider’s experience in providing services corresponding to the required individual performance. In determining the number of the relevant reference projects for each of the Providers, the Customer will use the information that the Providers made available in the list of reference projects attached to the Provider’s bid in the tender procedure in which this Framework Agreement has been entered into and subsequently amended, if applicable, in line with the rules imposed in this Framework Agreement.

The Provider may send the Customer an updated list of reference projects from time to time, to which the latest projects consummated by the Provider will be added. The Provider is required to submit an affidavit for all the newly added reference projects to the Customer. The affidavit is to be substantially in the form as attached hereto as an appendix.

1. Providers will submit bids in the mini-tenders in the same way in which they received the Call. They must submit the bids by the deadline specified in the Call. In the bid for individual performance and in the submitted price calculation, the Provider may not exceed the threshold imposed in Annex No. 1 hereto. The Provider may determine in the individual performance bid that a portion of the price it to be a retainer. The retainer may not, however, amount to more than EUR 300,000. The bids will be evaluated depending on the business benefit according to the criteria set out in the Call. The criteria are as follows: the amount of the bid price, the proposed approach to the transaction and the experience and references of the members on the Provider’s proposed implementation team appointed to be in charge of the implementation of the individual contract in the field of the subject matter of the individual contract. Detailed evaluation parameters for each mini-tender will be described in the Call.
2. The Customer agrees to notify all Providers, who submitted a bid for individual performance in the relevant mini-tender in response to the Call, of the selection of the winning bid for the individual performance. The Customer will do so without undue delay after the evaluation of the bids for individual performance is completed.
3. The Customer may request individual Investment Consulting Services, including any outputs from these services, including verbal communication, in both Czech and English, or in another language if the Parties have explicitly agreed so in the individual agreement.
4. The Investment Consulting Services will include the following services:
   1. **Services to support the Customer’s acquisition operations**, including, without limitation: support to the Customer in preparing preliminary and binding offers, including data collection and analyses (identification of the market environment); cooperation with the winning bidder in carrying out financial, tax and other due diligence depending on the particular transaction parameters; preparation of relevant background material for the Customer in the course of the transaction, the coordination thereof, including indicative valuation (statements on valuation for the purpose of the acquisition, financial modelling); advice on negotiating the key parameters of the transaction, including the new acquisitions within the Customer's structure and, if applicable, setting up synergies;
   2. **Services to support the Customer’s divestment transactions**, including, without limitation: suggesting a divestment strategy and the optimal divestment process (transfer of shareholdings or any parts thereof) in line with the Customer's requirements; seeking potential candidates, implementing initial screening and pre-screening processes; drafting necessary marketing documents for the transaction, such as the investment teaser, process letters, information memorandum including a valuation model; recommending the scope of VDD reports for the purposes of the transaction; making managerial presentations; drafting the transaction schedule; monitoring, collecting and analysing publicly available business, financial and other information that may affect the transaction; providing comments and further cooperation in the preparation of VDD reports; drafting an analysis of tax and specific impacts on the transaction, advice in negotiating key parameters of the transaction; communicating with investors and supporting the Customer in organizing meetings; support in receiving bids, processing and assessing bids; supporting the overall coordination of the process, including due diligence with the participants and carrying out confirmatory due diligence; daily data room coordination, preparing and presenting documents in the data room, including processing of Questions and Answers for potential investors; if necessary, support in dealing with authorities and financing banks; providing support necessary for the drafting of documents for the presentation of the transaction to the Customer bodies; providing additional support and advice required by the Customer in connection with the transaction to the extent reasonably required;
   3. **Services to support the Customer in restructuring projects**, in particular in the transformation of companies, dispositions of a plant or any parts thereof and any other asset transformations, as a result of which the Customer’s group structure may change.
5. The Consulting Services do not include the following services:
   1. Carrying out financial and tax due diligence of the target company;
   2. Preparing and carrying out financial and tax vendor due diligence of the to-be-sold company;
   3. Preparing separate evaluation of the target company, including assessment of the in-house evaluation of the target company (this applies both to acquisitions and divestment);
   4. Drafting opinions on transparency of the acquisition/divestment any other similar process.
6. The Czech Republic and all EU Member States, EEA States and the United Kingdom of Great Britain and Northern Ireland are the place of supply of the consulting services. The particular place of supply, if it is necessary for the consummation of the public contract, will be agreed in the individual agreement.

**Article III Fee**

1. The Fee for the consulting services is to be determined as follows:

The fee is to be calculated as a percentage of the resulting value of the transaction agreed in the individual agreement (the success fee) and the fixed monthly fees (the retainer). The percentage of the fee for the provision of the consulting services (the success fee) as demanded in the bid may not exceed the amount of the fee in percent as listed in Annex No. 1 hereto for the relevant category on transactions and the amount thereof in EUR. The success fee is to be reduced by the amount of the retainer, if any, before it is paid.

1. For the purpose hereof, the value of the transaction means the the actual consideration (if it is an acquisition), received (if it is a divestment), accounting residual value, or the value as per an expert valuation (if it is restructuring). The value of the transaction will be adjusted in detail in the individual agreement, always taking into account the specific parameters of the particular transaction.
2. The Provider's out-of-pocket costs may be added to the fee determined in line with this Article; such costs include, without limitation, travel costs and accommodation costs or other out-of-pocket costs approved in advance by the Customer. The Customer reserves the right to determine whether the out-of-pocket costs have been calculated rightfully in line with this paragraph depending on the nature, volume and place of supply of the consulting services.

**Article IV Payment Terms and Conditions**

1. The Customer will pay the fee to the Provider for the consulting services and reimburse the rightful out-of-pocket costs upon an invoice issued by the Provider after the end of the month in which the Consulting Services have been provided, unless the Parties agree otherwise in the particular individual agreement.
2. Invoices fall due within 30 days after delivery (in a manner which can be documented) thereof to the Customer.
3. The agreed fee is to be paid under invoices, provided that they: (i) comply with the requirements imposed in Section 435 of the Civil Code; (ii) comply with the requirements for tax documents imposed in Section 28 of Act No. 235/2004 Coll., the Value Added Tax Act, as amended (the “**Value Added Tax Act**”), or under applicable provisions of an Act which may replace and supersede the Value Added Tax Act; (iii) include the number of the Individual Framework Agreement; and (iv) are sent by the Provider to the invoice mailing address as set forth in paragraph 9 below.

The invoice must also include the following:

1. designation and number of the invoice;
2. business names, registered offices, Identification Nos. and Tax Identification Nos. of the Parties;
3. invoicing grounds, description of the performance;
4. the Provider's bank details;
5. the invoiced amount;
6. tax particulars;
7. date of issue and due date;
8. information on the Provider's registration in the Companies Register or any other register;
9. date of taxable supply;
10. handover protocol with a detailed description of services for the invoiced period
11. The Customer may return an invoice to the Provider before it falls due without paying it if the invoice fails to contain any of the particulars listed in this Framework Agreement or, as the case may be, the Individual Agreement, if its contents suffer from any other defects, if the attachments required by this Framework Agreement are not attached thereto, or if the Provider’s bank details and account No. are not compliant with this Framework Agreement or with the written notice that changes the bank details and account No., and/or there are any errors. The Customer informs the Provider about the foregoing by e-mail in which it must set forth the grounds for the refusal and request a new invoice. The Customer will send the rejection notice primarily to the e-mail address from which the invoice arrived, or to another Provider’s contact e-mail address known to the Customer.
12. The Provider must correct the invoice or issue a new one depending on the nature of the shortcoming. If the invoice is returned on due grounds, the due date is to be suspended. The deadline for the invoice to be paid (at least 30 days) starts running all over again from the date the corrected or new invoice is delivered to the Customer.
13. Payments will be made in euro (EUR) by a transfer to the Provider’s bank account listed in this Framework Agreement or the Individual Agreement. The Provider’s bank details and account No. can only be changed by a written amendment hereto or, if applicable, the Individual Agreement, or a written communication, to be delivered (in a manner that can be documented) to the Customer no later than together with the particular invoice. The communication must be signed by an individual(s) authorized to sign the relevant agreement.
14. The Customer is not deemed to have defaulted on the payment of an invoice if it files a payment order with its bank to pay the invoice on the due date at the latest.
15. The invoice must be issued electronically in a format that is compliant with the European standard for electronic invoices (for the terms and conditions and technical specifications see https://www.cez.cz/isdoc) or in a PDF format (ideally a “generated PDF/a” on the grounds of archiving and minimizing data volumes); each document issued in this way will form one document with attachment(s). The e-mail address for receiving PDF invoices is: podatelna@cez.cz. The e-mail format is recommended to be text (“plain text”), the e-mail must not contain any attachments that do not relate to the invoice and make automatic processing difficult (such as a company logo in the body of the e-mail, another e-mail message as an attachment, etc.). The maximum size of an e-mail is 10 MB. Larger messages significantly increase the likelihood of a delivery failure. A qualified/guaranteed electronic signature of the PDF invoice or the e-mail with the PDF invoice is not required. Alternatively, the Provider can send a PDF invoice to the Customer’s data box. The invoice is considered to have been delivered as soon as the e-mail is delivered to the e-mail box intended for receipt of invoices or as soon as the data message is delivered to the Customer’s data box.
16. If the Provider is a Czech VAT payer, VAT will be added to the calculated fee in line with applicable legislation.

If the Provider is a party registered for VAT in another EU Member State or a foreign party outside the EU that is subject to tax, and the Provider does not have a business establishment in the sense outlined in the Value Added Tax Act, the performance is subject to reverse-charge and the price for the service in the invoice will be without VAT.

1. Should the Customer, as the recipient, guarantee unpaid tax on the performance under Section 109 of the VAT Act, it will have the right to pay the value added tax on the Provider’s behalf directly to the Provider’s tax authority for the purpose of a special method of security as per Section 109a of the Value Added Tax Act. The Customer will inform the Provider thereof in writing. The paid tax will reduce the amount the Customer owes to the Provider and the Provider will not have the right to demand the Customer to pay such amount to it.
2. The Parties agree that any claims they may owe each other under the individual agreements concluded hereunder may be assigned only if the other Party grants its prior written consent. The consent to the assignment of the claim must include an agreement between the Parties on the method of payment of value added tax on the supply to which the assigned claim is linked, so that the tax is duly paid and the recipient of the taxable supply does not incur any liability as per Section 109 of the VAT Act. If no such agreement is reached, consent to the assignment of the claim may be refused.

**Article V Disclosure of Information**

The Customer agrees to disclose to the Provider all information that can reasonably be expected to be relevant to enable the Provider to fulfil its obligations in providing the Services (the “Information”) as soon as such information is known or available to the Customer; the Customer also agrees to make reasonable efforts to ensure that any information generated by the Customer, or upon the Customer’s instruction, is accurate in all material respects and is not misleading and is updated as necessary (the Customer agrees to inform the Provider if it finds out or has a reason to believe that the information is or will become false, incomplete, misleading or inaccurate in any material respect).

The Customer acknowledges that the Provider will be able to rely on all information made available to it, will not be responsible for the accuracy or verification of any information and that the services will be provided only on the basis of information made available to it. However, if the Provider, as a professional financial adviser, is in doubt about the accuracy or completeness of the disclosed documents, it will immediately notify the Customer in this regard.

**Article VI Indemnity**

1. The Customer agrees to indemnify and hold the Provider and its respective directors, officials, employees and affiliates (the “Indemnified Parties”) harmless up to the maximum amount of fifty million Euros (EUR 50,000,000) against any claims, losses or liabilities of any nature that the Provider or any Indemnified Person may incur in connection with the provision of services hereunder. The maximum amount of the indemnity to be available will be agreed in the individual agreements, but will in no case exceed the threshold agreed above.
2. The indemnity referred to in paragraph 1 above does not apply if:
   1. Such indemnity is prohibited under applicable law; or
   2. Any such claim, loss or liability results from a fraud, gross negligence or wilful default by the Provider or any Indemnified Party and such liability has been finally judicially determined.
3. The Customer also agrees to cooperate with the Provider and to disclose, insofar as it will be able to ensure such disclosure, all such information to the Provider and to provide the Provider with all assistance the Provider may reasonably request in connection with any conduct, claim or request, and, unless otherwise provided by law or contract, refrain from taking any action that can reasonably be expected to damage the position of the Provider or its affiliates in connection with any such conduct, claim or request without the Provider’s consent (such consent not to be unreasonably withheld). Subject to prior agreement with the Customer, the Provider is entitled to defend itself, enter into a compromise and/or a settlement agreement or settle with such indemnity in a manner that the Provider deems appropriate.
4. Without prejudice to the foregoing, the Provider agrees to: (i) inform the Customer of any material developments in connection with the indemnity; (ii) provide the Customer with any information regarding such indemnity as the Customer may reasonably request; and (iii) consult and agree in advance with the Customer whether to take any substantial steps in connection with such indemnity or not.
5. The indemnity outlined in paragraph 5.1 represents a complete settlement. Any other claims the Provider may have against the Customer under applicable laws are excluded to the extent permitted by law.

**Article VII Limitation of Liability**

1. The Provider shall be liable to the Customer only for obligations which it has been finally held by a court of justice to be the result of, without limitation, fraud, willfull default or gross negligence. Without prejudice to any claim that the Customer may have against the Provider or any of its affiliates, no proceedings may be instituted directly against any director, manager, employee or representative of the Provider or any of its affiliates in respect of any claim that the Customer may have against the company, the Provider or any of its affiliates. However, this limitation of liability does not exclude or limit any obligation or liability which cannot be excluded by an agreement between the Parties.
2. The Provider is not liable for advice given by other Customer’s advisers/consultants.
3. If the Customer or any of its affiliates enters into any agreement with the Provider and with another adviser/consultant or any other party in connection with any transaction, the terms of which will stipulate such party’s liability to the Customer (including any of its affiliates) and the Provider may have joint and/or several liability with such party to the Customer, any of its affiliates or any other party that would result from the performance of the obligations hereunder, the Customer agrees that (i) the Provider’s liability to the Customer for any obligations resulting for the Customer or any of its affiliates from the transaction will be strictly limited to the obligations agreed between the Parties or, in the absence of an agreement, to what a court (that has jurisdiction over the matter) may determine; ii) pay such Indemnified Party an amount equal to any claims that the Indemnified Party would incur if there were no such exclusion or limitation.

**Article VIII Confidentiality Clause**

1. The Parties are aware that information that will be treated as confidential may be exchanged between them in the course of rendering the performance hereunder. In particular, personal data within the meaning of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation), as amended (hereinafter the “**GDPR**”), trade secrets within the meaning of the Civil Code, information explicitly labelled as confidential and any other information of a confidential nature with regard to its content is considered confidential. Each Party agrees to provide all cooperation necessary to ensure the protection of confidential information in line with applicable laws and arrangements between the Parties.
2. The Provider therefore agrees, without limitation, to keep confidential information confidential and to refrain from disclosing it to any third party without the Customer’s written consent. If the Provider discloses confidential information to a third party with the the Customer’s prior consent, the Provider is required to bind such third party in writing with the obligation to keep all the communicated facts confidential to the extent similar to this Article of the Framework Agreement. Members of the implementation team are bound by a similar obligation if, with the Customer’s consent, they disclose confidential information to the Provider’s employees who are not members of the implementation team; the Provider is the party responsible for the compliance with this obligation.
3. The obligation to keep confidential information confidential applies throughout the entire term of this Framework Agreement and for five (5) years after its termination.
4. Information disclosed and made available by the other Party is not to be deemed confidential if:
5. it is or becomes a public domain but not through the fault of the receiving Party;
6. it was already known to the receiving Party at the time it is disclosed to it by the other Party, provided that this can be demonstrated by written documents;
7. it was obtained independently by the receiving Party without reference to or use of the information received from the disclosing Party;
8. the receiving Party has lawfully received it from a third party or if the receiving Party is required by law to disclose such information.
9. The Parties agree that should either of them be ordered by a court or administrative authority to disclose confidential information, such Party will, without undue delay, inform the other Party of such an order or request and such Party shall be entitled to disclose the information or any part thereof only after taking necessary measures to prevent the misuse or other disclosure of the confidential information to third parties.
10. No public statement concerning this Framework Agreement may be made without the other Party’s prior written consent to the text of such statement.
11. After the consulting services under the particular individual agreement are provided, the Provider is required to return to the Customer, within thirty (30) calendar days, all material made available to it to render the performance that could contain confidential information or facts that constitute trade secret, including any copies thereof, unless agreed otherwise in writing. A Handover Protocol shall be made to certify the handover and acceptance of the material. The Provider Provider is the party responsible for drafting the protocol.
12. The Provider agrees to take technical and organizational measures to prevent unauthorized or accidental disclosure, communication, alteration, destruction, loss or unauthorized transmission, as well as any other misuse by a third party of information that constitutes a part of a trade secret or has the nature of confidential information.
13. The Parties reserve the right to withdraw from this Framework Agreement if they find and manage to prove that the other Party has breached the confidentiality obligation hereunder. Such withdrawal is without prejudice to the Provider’s obligation to pay a contractual penalty under Article VI(1)(b) hereof.
14. Any advice given by the Provider to the Customer will be confidential and will solely cater to the benefit of the Customer (or its affiliates) and will not be relied upon by any other party. No reference may be made to the Provider, its role or its advice, nor its advice may be communicated to any other party (other than your directors, officers, employees and/or your professional advisers on a need-to-know and confidential basis only) without the Provider’s prior written consent which should not be unreasonably withheld, except (i) in cases where the law or regulation requires disclosure of the role of the Provider and its advice to any governmental or regulatory authority or agency – under such circumstances you agree to give timely (if possible) prior written notice to the Provider of the request for such disclosure – or (ii) if the nature of the matter so requires.

**Article IX Conflict of Interest**

1. The Provider agrees to represent and warrant to the Customer upon request before entering into the Individual Agreements that it is not aware of any pending or imminent conflict of interest associated with the provision of the consulting services under the particular Individual Agreement.
2. The Provider also agrees to inform the Customer without undue delay if it finds out, while the consulting services are being provided, that a conflict of interest has occurred or is imminent; in such circumstances, the Customer and the Provider will agree how to proceed. An imminent conflict of interest, unless remedied in the procedure agreed upon by the Parties, gives the Customer the opportunity to withdraw from the particular Individual Agreement.
3. Should the Provider choose to provide the services via a subcontractor under the applicable individual agreement, the above provisions will also apply to such subcontractor and the Provider is required to ensure compliance with this obligation.

**Article X Provider’s Rights and Obligations**

1. The Provider may outsource the consulting services to a third party, provided that it obtains the Customer's prior written consent thereto. However, the Provider remains the party that is fully responsible for how the consulting services are provided.
2. Before commencing the provision of the consulting services, the Provider is required to present to the Customer for approval a list of individuals who are nominated to be on the implementation team and who are expected to be engaged in the consulting. The Customer may disprove such team and the Provider agrees to discuss the issue with the Customer and adjust the team accordingly.
3. The Provider is required to keep the Customer informed on a continuous basis of the course and outcome of the consulting services. The Provider is required to provide the Consulting Services with due professional care, protect the Customer’s interests and, especially, notify and alert the Customer of any risk of harm/damage associated with the provision of the Consulting Services hereunder.
4. Neither Party may, without having obtained prior consent from the other Party, employ, or solicit the employment of, any employee of the other Party, directly or indirectly, during the term, or within one year after the termination, of this Framework Agreement or the Individual Agreements. The other Party’s employee is, for the purposes hereof, deemed to mean any individual who, as a consultant or employee of one Party, has had any relation to the provision of consultancy services under this Framework Agreement or any Individual Agreement. Employment of the other Party’s employee is, for the purposes hereof, deemed to mean the execution of a labour contract or a similar relationship with the particular employee or the establishment of a contractual relationship involving consulting services of a similar nature as the subject matter hereof or the Individual Agreements. This provision shall not apply to cases where the labour contract, other similar relationship or contractual relationship referred to in the preceding sentence is concluded on the basis of the results of a selection procedure for filling a specified position in which the employee participates on the basis of his/her own decision.
5. Neither Party may, without having obtained prior consent from the other Party, publish any statement regarding this Framework Agreement or the other Party in connection with this Framework Agreement or the Individual Agreements.
6. The Parties acknowledge that this Framework Agreement is not subject to the obligation to publish it in the Register of Contracts under Act No. 340/2015 Coll., on special conditions of effectiveness of certain contracts, on the disclosure thereof and on the Register of Contracts, as amended.
7. In discharging their obligations hereunder, the Parties are generally obliged to proceed in accordance with the GDPR and in accordance with Act No. 110/2019 Coll., the Personal Data Processing Act, as amended.
8. Should the Parties process personal data for the purpose of rendering the performance hereunder, they shall enter into a personal data processing agreement for that purpose in line with Article 28(3) of the GDPR.

**Article XI ČEZ, a. s.'s Inside Information**

1. The Provider acknowledges that some confidential information may be considered as inside information under Article 7 of Regulation of the European Parliament and Council Regulation (EU) No. 596/2014 of 16 April 2014 on market abuse (the Market Abuse Regulation) and repealing Directive of the European Parliament and Council 2003/6/ EC and Directive 2003/124/EC, 2003/125/EC and 2004/72/EC (the “**Market Abuse Regulation**”) in relation to the Customer and agrees to ensure compliance with all regulatory obligations relating to inside information under the Market Abuse Regulation and all other applicable legislation.
2. The Provider agrees to make its own assessment of whether the confidential information is inside information in relation to the Customer or not and when it ceases to be inside information (however, if the Customer informs the Provider that it is inside information, the Provider agrees to treat such confidential information as inside information).
3. The Provider agrees to maintain a list of insiders who have regular or occasional access to inside information relating to, directly or indirectly, the Customer, and perform for the Customer any activity hereunder or under the Individual Framework Agreements, or who are the Provider’s employees or other individuals who have access to inside information at the Provider (hereinafter the “**Insider List**”). The Provider agrees to present the Insider List to the Customer any time upon request, including a history of updates thereof.
4. In maintaining and updating the Insider List, the Provider agrees to proceed in line with, without limitation, the applicable provisions of the Market Abuse Regulation and Decree No. 234/2009 Coll., on the protection against market abuse and transparency, as amended. A model Insider List is attached hereto as Annex No. 2.
5. The Provider agrees to ensure that all members of the Provider’s bodies, the Provider’s representatives and staff, members of the bodies of Provider’s advisers, representatives and staff of advisers and other parties who have access to and handle the Customer’s inside information are duly trained in appropriate internal procedures and relevant legal, regulatory and internal obligations, and all parties listed on the Insider List will confirm in writing (including a confirmation by e-mail if permitted by applicable law) that they are aware of all legal and regulatory obligations imposed on them. They further acknowledge the penalties for insider dealing and disclosure of inside information by signing a declaration of a party who has access to the Customer’s inside information, including guidelines on how inside information is to be handled and penalties for breaching the rules that govern the protection of inside information; the declaration is to be substantially in the form attached hereto as Annex No. 3.
6. If there is a change in legislation and it becomes necessary to amend this Article or any Annex hereto accordingly as a result, the Parties agree to cooperate in making such amendment.
7. The Provider agrees that if any of the obligations imposed in this Article is breached, it shall indemnify the Customer for any damage incurred as a result of such breach.

**Article XII Principles of Ethical Conduct**

## The Provider agrees to comply with and follow ethical principles, laws, rules and behavioural patterns that fully comply with the CEZ Group’s Code of Ethics and its policy of compliance with legal and ethical principles in business. The Provider has read the Ethical Conduct Clause available on CEZ’s website:

## https://www.cez.cz/cs/pro-dodavatele/zavazek-etickeho-chovani

## The Provider agrees to comply with the Ethical Conduct Clause in discharging this Framework Agreement and the individual agreements, including in the relationships with third parties.

## Notwithstanding the above

1. The Provider's employees are not required to individually sign the consent to comply with the Ethical Conduct Clause; however, the Provider hereby agrees to ensure that the Ethical Conduct Clause be complied with by its employees.
2. The Provider is not obliged to comply with the requirements imposed in the Ethical Conduct Clause if, by doing so, the Provider would breach its confidentiality duty toward third parties.
3. The Ethical Conduct Clause must not prevent the Provider from claiming its rights under this Framework Agreement or the individual agreements;
4. The Provider will keep records regarding its performance for the Customer in the manner customary with the Provider;
5. The Provider will exert reasonable efforts to comply with reasonable requests from CEZ Group’s auditors to access records that relate to the Provider’s performance rendered to the Customer hereunder. However, the Provider cannot be made to violate its standard procedures for access to records; likewise, the Provider will not grant the Customer from the CEZ Group or its auditors physical access to its records or its network;
6. The provisions of the Ethical Conduct Clause concerning intellectual property rights and the return of confidential information will not apply, i.e. they will be governed only by this Framework Agreement and, where applicable, the individual agreements;
7. No provision of the Ethical Conduct Clause will prevent the Provider from working for CEZ Group competitors, provided that the Provider’s internal policies on conflicts of interest are complied with the Provider’s contractual obligations to the Customer and CEZ Group are duly discharged;
8. The obligation to comply with money laundering legislation applies to Provider to the extent of the legislation to which the Provider is subject.

## If the Provider breaches the Ethical Conduct Clause, the Customer may withdraw from this Framework Agreement.

1. For the purpose of hereof, CEZ Group means ČEZ, a. s. and all business companies that form a group with ČEZ, a. s.

**Article XIII Exclusivity Clause**

1. In this Framework Agreement and in the Individual Agreements applicable to particular individual performance, the Provider will agree that all the Provider’s employees and other individuals who are familiar with the subject matter of the of consulting services, the trade secrets and the confidential information relating to a particular project will, throughout the entire term of the relevant Individual Agreement applicable to the particular individual performance, will refrain from providing any consulting services to any third parties who are the Customer’s actual or potential competitors on the territory where the Individual Agreement is performed or on a relevant market where the Customer operates itself or via ČEZ Group companies.
2. The Provider agrees to be bound by the exclusivity obligation for as long as the Individual Agreement that relates to a particular project is in effect, unless the Parties agree otherwise in the particular Individual Agreement
3. Should the Provider provide the consulting services through a third party, after having obtained the Customer’s consent thereto, it is required to bind such party with the same exclusivity obligation.

**Article XIV Termination**

1. The Parties may agree to terminate this Framework Agreement, with such termination agreement to be in writing. This Framework Agreement can also be terminated unilaterally by notice with a one-month notice period. The notice period commences on the first day following delivery of the notice to the other Party.
2. Should this Framework Agreement be terminated by or vis-à-vis one of the Providers in line with Article XIV(1) hereof, it will be extinguished only to the extent of the rights and obligations owed by, to and between the particular Provider and the Customer. The rights and obligations owed by, to and between the other Providers and the Contractors remain intact.
3. Should this Framework Agreement cease to exist for any reason whatsoever, the Parties agree to settle all their outstanding obligations which were established throughout the term of the validity hereof. They must complete the settlement within 30 calendar days after this Framework Agreement has ceased to exist.
4. If this Framework Agreement ceases to be effective, all the individual agreements related to this Framework Agreement cease to exist unless the Parties agree otherwise.

**Article XV Final Provisions**

1. No Party may, without prior written consent from the other Party, assign its rights or obligations hereunder or under an Individual Framework Agreement to a third party or any other entity.
2. The covenants and arrangements agreed herein are severable. If any arrangement hereunder (or a part thereof) becomes invalid, illegal or unenforceable, such arrangement (or a part thereof) is to be deemed severed from the other arrangements hereof, the remaining part of this Framework Agreement is to remain in full force and effect, and the Parties will commence negotiations in order to newly arrange their mutual relations so that the original intent of the Framework Agreement is preserved. Until then, applicable (generally binding) regulations of the Czech Republic shall apply.
3. **This Framework Agreement will take force and effect on the date it is signed by the Parties (if it is not signed by all Parties on the same date the date of signature is the date of which this Framework Agreement is signed by the last Party) and is entered into for a definite term of seventy-two (72) months from the date it is signed.**
4. The Parties agree to resolve any disputes hereunder amicably. Should the Parties fail to resolve a dispute amicably, the dispute will be submitted to the jurisdiction (territorial and subject-matter) of Czech courts.
5. Any additions or alterations hereof can only be made by written, numbered (in ascending order) amendments approved by both Parties. The Parties do not accept any amendment if it takes any form other than a written hardcopy.
6. Legal relationships that are not governed by this Framework Agreement will be governed by generally binding laws, especially Act No. 89/2012 Coll., the Civil Code, as amended.
7. This Framework Agreement has been made in as many copies as necessary for each Provider (a Party hereto) to receive one and the Customer to receive two copies.

**Annexes:**

Annex No. 1 – Price for Consulting Services

Annex No. 2 – Model Insider List

Annex No. 3 – Model Declaration of a party who has access to the Customer’s inside information, including Guidelines on handling inside information and the penalties for violating the rules that govern the protection of inside information

Annex No. 4 – List of Reference Projects

In Prague on \_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

JUDr. Michaela Chaloupková, MBA Ing. Martin Novák, MBA

Director Director

ČEZ, a. s ČEZ, a. s

For and on behalf of Provider No.1:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Name, last name* *Name, last name*  
*Title* *Title*

For and on behalf of Provider No.2:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Name, last name* *Name, last name*  
*Title* *Title*

For and on behalf of Provider No.3:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Name, last name* *Name, last name*  
*Title* *Title*

For and on behalf of Provider No.4:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Name, last name* *Name, last name*  
*Title* *Title*

For and on behalf of Provider No.5:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Name, last name* *Name, last name*  
*Title* *Title*

For and on behalf of Provider No.6:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Name, last name* *Name, last name*  
*Title* *Title*

For and on behalf of Provider No.7:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Name, last name* *Name, last name*  
*Title* *Title*

For and on behalf of Provider No.8:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Name, last name* *Name, last name*  
*Title* *Title*

For and on behalf of Provider No. 9:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Name, last name* *Name, last name*  
*Title* *Title*

For and on behalf of Provider No. 10:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Name, last name* *Name, last name*  
*Title* *Title*

For and on behalf of Provider No.11:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Name, last name* *Name, last name*  
*Title* *Title*

For and on behalf of Provider No.12:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Name, last name* *Name, last name*  
*Title* *Title*

For and on behalf of Provider No.13:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Name, last name* *Name, last name*  
*Title* *Title*

For and on behalf of Provider No. 14:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Name, last name* *Name, last name*  
*Title* *Title*

For and on behalf of Provider No. 15:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Name, last name* *Name, last name*  
*Title* *Title*

**Annex No. 1 Price for the Consulting Services**

**[The price is to be transferred from the price table inserted by the Contractor into the final Bid before this Framework Agreement is entered into – this annex will be separate for each party to the Framework Agreement]**

**Annex No. 2 – Model Insider List**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **List of persons with with access to inside information** | | | | | | | | | | | | | | | | | | | |  |  |  |
| **Nr.** | **Date and time of access to inside information** | **Date and time of the termination of access to inside information** |  | | | | | | | | | | | | | | **Job title and reason for inclusion on the list of persons with access to inside information** | **Business telephone number (direct line to work and work mobile phone)** | **Private phone numbers** |  |  |  |
| **Natural person** | | | | | | | | | **Name and adress of the employer** | | | | |  |  |  |
| **Name** | **Surname** | **Maiden name** | **Personal identification number** | **Date of birth** | **Residence** | | | | **Název / Obchodní firma** | **Registered office** | | | |  |  |  |
| **City** | **Street, Nr.** | **Zip code** | **Country** | **City** | **Street, Nr.** | **Zip code** | **Country** |  |  |  |
| **1** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **2** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **3** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **4** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **5** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **6** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **7** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **8** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **9** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **10** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **11** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | Y5HX37BEUWSN1NEFJKZJXI3SXZQTVYL8DCSADVT0QMRXFLU0TR9D4GQ34QB727H10MA3SSAR2R91TM64TL2QIMYV7WYSV2VLGXY4D6ZNRZJ7EX4GZT9RO8LE0C905MJ6976KI2UH1IE8M227DUYXMJMRI962L5PB0E0YWXCIBN82VJH7DJ9FILZD2YPS6X1JBP9E76TUOALR4L95ELQLZ1Y1LETHM1CS9MEW27CPIFG44B7E7HEQUUF5QFU084VZL15IMB1OFRRAY6GVKAEZRF0KB1IYQSNV63CTXT25G67G78CUMI0OVLYJRSDRQ3V2YX812TXSMH2MTH86CYKA26740RQPUC9BNF49V0R6VVYPHEVMJ3ABDQZ3INNIMMPDBB0JF37L81M6ID21S9JM17GP1802LHN4GT14BJYIC9CN2Y88X8WYV1HWZG1QILY9BKAZ9ST0XDIOP50HSUFO5V31BR0 |  |  |  |  |  |
| **12** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **13** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **14** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | ZRF0KB1IYQSNV63CTXT25G67G |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

**Annex No. 3 - Declaration of a party who has access to the Customer’s inside information**



**declaration**

**Of a party who has access to the customer's inside information**

I declare that I have familiarized myself with the duties and responsibilities for dealing with and managing inside information and the penalties for insider dealing by a party who has access to inside information laid down in Regulation of the European Parliament and of the Council (EU) No. 596/2014 on market abuse, Act No. 256/2004 Coll., the Capital Market Trading Act, Decree No. 234/2009 Coll., on the protection against market abuse and on transparency. I have also read the "Guidelines on handling inside information and the penalties for violating the rules that govern the protection of inside information”, which are attached to this declaration.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*/Name and last name/*

In ……………………… on ………………

Attachment: “Guidelines on handling inside information and the penalties for violating the rules that govern the protection of inside information”, which are attached to this declaration

**Guidelines on handling inside information and the penalties for violating the rules that govern the protection of inside information**

**Summary**

**Inside information is information that, if disclosed, could significantly affect the price of CEZ shares, options or bonds.** Internal information includes, but is not limited to, profit/loss, information on scheduled acquisitions, acquisitions or sales of significant shares, investment plans and personnel changes in the company’s bodies.

**Insiders are required to keep any such information confidential.**

**Individuals who have access to such information,** so-called insiders, **may not carry out any transactions that involve ČEZ shares, options or bonds, nor may they recommend any such transaction to any other party.**

Violation of the obligations outlined above is considered a misdemeanour and the Czech National Bank may impose **a fine of up to CZK 150 million or three times the unjust enrichment resulting from the misdemeanour.**

Selected provisions of REGULATION (EU) No. 596/2014 OF THE EUROPEAN PARLIAMENT AND COUNCIL of 16 April 2014 on market abuse (the Market Abuse Regulation)

**Article 7**

**Inside Information**

1. For the purposes of this Regulation, inside information shall comprise the following types of information:

information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments;

1. **For the purposes of paragraph 1, information shall be deemed to be of a precise nature** if it indicates a set of circumstances which exists or which may reasonably be expected to come into existence, or an event which has occurred or which may reasonably be expected to occur, **where it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices** of the financial instruments or the related derivative financial instrument, the related spot commodity contracts, or the auctioned products based on the emission allowances. In this respect in the case of a protracted process that is intended to bring about, or that results in, particular circumstances or a particular event, those future circumstances or that future event, and also the intermediate steps of that process which are connected with bringing about or resulting in those future circumstances or that future event, may be deemed to be precise information.
2. An intermediate step in a protracted process shall be deemed to be inside information if, by itself, it satisfies the criteria of inside information as referred to in this Article.
3. For the purposes of paragraph 1, information which, if it were made public, would be likely to have a significant effect on the prices of financial instruments, derivative financial instruments, related spot commodity contracts, or auctioned products based on emission allowances **shall mean information a reasonable investor would be likely to use as part of the basis of his or her investment decisions.**

**Article 8**

**Insider dealing**

1. For the purposes of this Regulation, insider dealing arises where **a person possesses inside information and uses that information by acquiring or disposing of, for its own account or for the account of a third party, directly or indirectly, financial instruments to which that information relates. The use of inside information by cancelling or amending an order concerning a financial instrument to which the information relates where the order was placed before the person concerned possessed the inside information, shall also be considered to be insider dealing**. …
2. For the purposes of this Regulation, recommending that another person engage in insider dealing, or inducing another person to engage in insider dealing, arises where the person possesses inside information and:

a) **recommends**, on the basis of that information, **that another person acquire or dispose of financial instruments** to which that information relates, or induces that person to make such an acquisition or disposal, or

b) **recommends**, on the basis of that information, **that another person cancel or amend an order concerning a financial instrument** to which that information relates, or **induces** that person to make such a cancellation or amendment.

1. The use of the recommendations or inducements referred to in paragraph 2 amounts to insider dealing within the meaning of this Article where the person using the recommendation or inducement knows or ought to know that it is based upon inside information.

1. **This Article applies to any person who possesses inside information as a result of :**

a) being a member of the administrative, management or supervisory bodies of the issuer or emission allowance market participant;

b) having a holding in the capital of the issuer or emission allowance market participant;

c) **having access to the information through the exercise of an employment, profession or duties;** or

d) being involved in criminal activities.

**This Article also applies to any person who possesses inside information under circumstances other than those referred to in the first subparagraph where that person knows or ought to know that it is inside information.**

1. Where the person is a legal person, this Article shall also apply, in accordance with national law, to the natural persons who participate in the decision to carry out the acquisition, disposal, cancellation or amendment of an order for the account of the legal person concerned.

**Article 10**

**Unlawful disclosure of inside information**

1. For the purposes of this Regulation, **unlawful disclosure of inside information arises where a person possesses inside information and discloses that information to any other person, except where the disclosure is made in the normal exercise of an employment, a profession or duties.**

This paragraph applies to any natural or legal person in the situations or circumstances referred to in Article 8(4).

1. For the purposes of this Regulation the onward disclosure of recommendations or inducements referred to in Article 8(2) amounts to unlawful disclosure of inside information under this Article where the person disclosing the recommendation or inducement knows or ought to know that it was based on inside information.

**Article 14**

**Prohibition of insider dealing and of unlawful disclosure of inside information**

**A person shall not:**

* 1. **engage or attempt to engage in insider dealing;**
  2. **recommend that another person engage in insider dealing or induce another person to engage in insider dealing; or**
  3. **unlawfully disclose inside information**.

**Article 18**

**Insider List**

1. Issuers or any person acting on their behalf or on their account, shall:
   1. draw up a list of all persons who have access to inside information and who are working for them under a contract of employment, or otherwise performing tasks through which they have access to inside information, such as advisers, accountants or credit rating agencies (insider list);
   2. promptly update the insider list in accordance with paragraph 4; and
   3. provide the insider list to the competent authority as soon as possible upon its request.
2. Issuers or any person acting on their behalf or on their account, shall take all reasonable steps to ensure **that any person on the insider list acknowledges in writing the legal and regulatory duties entailed and is aware of the sanctions applicable to insider dealing and unlawful disclosure of inside information.**

Where another person acting on behalf or on the account of the issuer assumes the task of drawing up and updating the insider list, the issuer remains fully responsible for complying with this Article. The issuer shall always retain a right of access to the insider list.

1. The insider list shall include at least:
   1. the identity of any person having access to inside information;
2. the reason for including that person in the insider list;
3. the date and time at which that person obtained access to inside information; and
4. the date on which the insider list was drawn up.
5. Issuers or any person acting on their behalf or on their account shall update the insider list promptly, including the date of the update, in the following circumstances:
   1. where there is a change in the reason for including a person already on the insider list;
   2. where there is a new person who has access to inside information and needs, therefore, to be added to the insider list; and
   3. where a person ceases to have access to inside information.

Each update shall specify the date and time when the change triggering the update occurred.

1. Issuers or any person acting on their behalf or on their account shall retain the insider list for a period of at least five years after it is drawn up or updated.

**Selected provisions of Act No. 256/2004 Coll., the Capital Market Business Act, as amended**

**Section 160**

**Administrative offences of natural persons violating the EU regulation on market abuse**

(1) A natural person commits an administrative offence by failing to fulfil any of the duties or by failing to cease from violating any of the prohibitions referred to

(a) in Article 14 or 15 of Regulation of the European Parliament and Council (EU) No. 596/2014 ,

(b) in Article 16 or 17 of Regulation of the European Parliament and Council (EU) No. 596/2014 , or

(c) in Article 18, 19 or 20 of Regulation of the European Parliament and Council (EU) No. 596/2014.

(2) An administrative fine may be imposed for an administrative offence under subsection (1)(a) up to

(a) CZK 150 million, or

(b) thrice the amount of the benefit derived from the administrative offence where that benefit can be determined.

(3) An administrative fine may be imposed for an administrative offence under subsection (1)(b) up to

(a) CZK 30 million, or

(b) thrice the amount of the benefit derived from the administrative offence where that benefit can be determined.

(4) An administrative fine may be imposed for an administrative offence under subsection (1)(c) up to

(a) CZK 15 million, or

(b) thrice the amount of the benefit derived from the administrative offence where that benefit can be determined.

**\***

"Personal data on insiders is processed in accordance with the relevant Czech and European legislation. Details regarding the processing of personal data is available at https://www.cez.cz/cs/o-spolecnosti/skupina-cez/spolecnosti-skupiny-cez-v-cr/cez-prodej/informace-o-zpracovani -osobnich-udaju.html, or may be made available by ČEZ, a. s., upon the insider's request.

**Annex No. 4 – List of Reference Projects**