**FRAMEWORK AGREEMENT**

**for Supplies of Aviation Oil, Grease and Fluids**

# Article I

# Parties

1. **LOM PRAHA s.p.**

registered at the Regional Court in Prague, Section ALX, File 283

registered office: Tiskařská 270/8, 108 00 Prague 10 – Malešice

represented by: Ing. Bc. Radomír Daňhel, MBA, LL.M., Sales and Logistics Director

representative for finance matters: Václav Šmejkal, Finance, HR and Administration Manager

representative for business matters: Ing. Bc. Radomír Daňhel, MBA, LL.M., Sales and Logistics Director

Company Registration Number: 00000515

Tax Identification Number: CZ00000515

contact person: Karel Rott, collector, +420 296 505 406 karel.rott@lompraha.cz

hereinafter the **“Client”**

1. **/*The Contractor fills in its company name*/**

registered with: /*The Contractor fills in the data*/

registered office: /*The Contractor fills in the data*/

represented by: /*The Contractor fills in the data*/

handled by: /*The Contractor fills in the data*/

Company Registration Number: /*The Contractor fills in the data*/

Tax Identification Number: /*The Contractor fills in the data*/

Bank details: /*The Contractor fills in the bank and b.a. number*/

e-mail address for delivery of orders: */The Contractor fills in the data/*

hereinafter the **“Contractor”**.

The Client and the Contractor hereinafter also jointly as **“Parties”** and individually as a **“Party”**.

The Parties have concluded this Framework Agreement (hereinafter the “Agreement”) within the meaning of Section 1746 (2) and for individual supplies with an obligation within the meaning of Section 2079 et seq. of the Act No. 89/2012 Coll., the Civil Code, as amended (hereinafter the “CC”). The Agreement has been concluded in connection to the prior tender called “SUPPLIES OF AVIATION OIL, GREASE AND FLUIDS”. This public contract has been awarded within open procedure in accordance with Section 56 of the Act 134/2016 Coll., on Public Procurement, as amended (hereinafter also the “APP”).

# Article II

# Subject of the Agreement

1. The subject of this Agreement is to provide for the supply of aviation oil, grease and fluids (hereinafter also “Goods”) for the Client in accordance with the terms of this Agreement and according to specifications and valid standards listed in Annex 1 – List of Goods (hereinafter “Annex 1”), including the necessary documentation under Art. 4.2. hereof, to the place of delivery under Art. III hereof and to enable the Client to acquire ownership of the Goods delivered.
2. The Client reserves the right not to accept the estimated quantity listed in Annex 1 hereof, to order lower or higher quantity or not to order anything as the quantity consumed will always be based solely on the Client’s operational needs. The Contractor shall not be entitled to charge any compensation, sanctions, contractual penalties or loss of profit in this regard. The Client shall accept the Goods in the period listed in para. 8.2.    hereof.
3. The Client undertakes to take over the Goods supplied under respective orders and to pay the respective purchase price for individual deliveries of Goods.
4. In case of Goods the export of which requires a license, the Contractor undertakes to initiate steps towards obtaining an export license (a comprehensive license valid for the entire term of this Agreement) for the Goods listed in Annex 1 within 5 days following the signature hereof and immediately inform the Client accordingly. The deadline for processing any necessary permits, certificates or licenses shall be 60 (sixty) calendar days following the date of the Contractor’s notice of initiation to the Client. The Parties hereby declare their will to cooperate with each other and shall provide all necessary cooperation to each other as necessary to obtain all permits required for a smooth supply of Goods to the Client.

# Article III

# Place of Delivery

1. The place of delivery can be the Client’s registered office or premises:
* LOM PRAHA s.p., Tiskařská 270/8, Post Code 108 00, Praha 10, Malešice
* LOM PRAHA s.p., Toužimská 1058, Post Code 197 03, Praha 9, Kbely
* LOM PRAHA s.p., Pražská 100, 530 06 Pardubice
1. The delivery condition is set as follows:
2. for manufacturers of Goods based outside the EU, the transport shall take place according to the DAP INCOTERMS® 2020 delivery condition and the place of delivery shall be, subject to the selected mode of transport:
* air – Václav Havel International Airport – Ruzyně, Czech Republic.
* land – the Client’s registered office or premises under para. 3.1.
1. for manufacturers of Goods based in the Czech Republic and in the EU member states, the transport to the place of performance listed in para. 3.1 of this Article shall take place according to the DDP INCOTERMS® 2020 delivery condition.

# The Client shall specify the place of delivery of the Goods in individual orders.

# Article IV

# Terms of Delivery

1. Based on their requirements, the Client shall send a duly completed order to the Contractor’s e-mail address listed in the heading of this Agreement. The Contractor undertakes to confirm accepting the order within 24 (twenty-four) hours following its delivery. Upon accepting the order, the Contractor shall be obliged to deliver the ordered Goods within the time limit specified in Annex 1 running from the date of order confirmation by the Contractor to the Client.

Orders shall include:

* the Client’s and the Contractor’s identification data;
* identification of this Agreement;
* required quantity of Goods;
* place and date of delivery of the Goods;
* any other requirements of the Client.
1. The Contractor shall deliver the ordered Goods to the Client in the original packaging of the manufacturer of the Goods including the necessary documentation required to take over the Goods (safety data sheets and test reports / certificates) in a legible form and format with the production batch number of the Goods which confirm the required quality and origin of the Goods and its other parameters necessary for their use in aviation. A maximum of 20% of the expiration time, or shelf life of the Goods may be exhausted at the time of delivery.
2. The Contractor shall comply with the conditions of loading and storage of the Goods according to the technical documentation of the manufacturer. The Contractor shall also ensure compliance with these conditions by its subcontractor. Furthermore, at the request of the Client, the Contractor shall prove compliance with the conditions of loading and storage of the Goods and/or allow the Client or their authorized representative to check the loading and storage of the Goods, including at the Contractor’s subcontractor.
3. The Contractor undertakes to transfer to the Client the ownership right to the Goods in the agreed manner, which passes to the Client, as well as the risk of damage to them, upon duly taking over the Goods and confirming its receipt through their authorized employee at the place of performance. The name of such authorized employee shall be stated in the order. Normal use shall mean in particular the right of normal undisturbed use in accordance with usual use of the Goods in aviation without any temporal or territorial limitations.
4. The Contractor undertakes to comply with the requirements for wooden packaging coming to the EU from third countries which are in accordance with the ISPM 15 standard (treated and labelled). All wooden packaging material, such as boxes, crates or pallets, made wholly or partly of unprocessed wood, shall meet the new requirements and shall also be heat treated or fumigated under an officially approved system and appropriately marked.
5. Deliveries of the Goods shall take place on business days, Monday to Thursday from 7:30 a.m. to 2:30 p.m. and on Fridays from 7:30 a.m. to 1:00 p.m. to the place of delivery under Article III. hereof.

# Article V

# Price and Terms of Payment

1. Prices of Goods listed in Annex 1 to this Agreement are in Czech crowns (CZK) excluding VAT (or in EUR or USD currencies). Unit prices listed in Annex 1 shall be the maximum permissible prices and shall be valid for the term of validity of this Agreement.
2. The price shall include all costs of the Contractor and their potential subcontractors associated with delivery of the Goods to the place of delivery, as well as the fulfilment of other obligations and warranty conditions under this Agreement. The Contractor shall bear all financial performance arising from tax regulations related to the delivery of Goods to the Client up to the place of delivery.
3. The Contractor shall be entitled to issue the tax document upon due acceptance of each individual delivery of Goods by the Client in accordance with the order.
4. The price including VAT for individual orders shall be paid by the Client on the basis of an invoice (tax document) issued by the Contractor, via bank transfer to the Contractor’s account listed in the heading of this Agreement. The tax document shall be due within 30 (thirty) day following its delivery to the Client. The invoiced price shall be deemed paid upon debiting the corresponding amount from the Client’s account.
5. Invoices issued by the Contractor shall have all the requisites of a tax document within the meaning of the Act No. 235/2004 Coll., on Value Added Tax, and the Act No. 563/1991 Coll., on Accounting, each as amended, in duplicate indicating the number of this Agreement, the order number, quantity and storage units of the Goods, the price excluding VAT per unit, the total price excluding VAT, the amount of VAT and total amount to be paid.
6. The tax document shall be accompanied by a delivery note confirmed by representatives of both Parties.  The delivery note shall include the name, designation and quantity of the delivered Goods. The order is not properly fulfilled without a delivery note.
7. Should the tax document not contain the details mentioned above, legal requirements of a tax document and/or should handover protocols be missing or should the tax document contain any incorrect data, the Client shall not be obliged to pay the tax document and shall send it back to the Contractor who shall subsequently modify it according to the above requirements or provide any missing documents and send the tax document back to the Client with a new maturity period. The new maturity period of the tax document shall commence upon delivery of the corrected tax document to the Client.
8. If the Contractor is a foreign person, all fees, duties, taxes, bank charges and other expenses incurred in connection with the conclusion and implementation of this Agreement shall be paid:
* by the Client in the Czech Republic,
* by the Contractor outside the Czech Republic.

# Article VI

# Warranty and Complaint Conditions

1. The Contractor guarantees to the Client that the Goods delivered based on this Agreement will not show any functional or quality defect for 24 (twenty-four) months following their handover to the Client. The warranty shall not cover wear and tear caused by using the Goods or by obvious mechanical damage.
2. During the warranty period, the Client can make complaints related to the quality and quantity of the delivered Goods. The Client’s complaints can be as follows:
* quantitative: if the quantity of delivered Goods does not meet the orders or does not agree with the quantity indicated in the delivery note,
* qualitative: if the delivered Goods do not meet the requirements listed in Art. IV, point 4.2 or the standards listed in Annex 1 to this Agreement.
1. Defects and claims from defects are resolved in accordance with applicable provisions of the CC on the basis of a written record of the complaint which shall include description of the defects of Goods, the Contractor’s choice of claim and the numbers of this Agreement, the order, the delivery note and the invoice.
2. The Contractor shall comment on the complaint within 3 working days following the receipt of the Client’s e-mail. In case of a substantiated complaint, the Contractor undertakes to replace defective Goods for Goods in perfect condition on the basis of a mutually acknowledged time limit, however no later than within 14 (fourteen) calendar days following the date of delivery of the complaint. The Contractor shall bear all costs related to the processing of any substantiated complaint.
3. Should the Contractor fail to fully and timely process a substantiated complaint or, in consideration of the circumstances of the complaint, there is no doubt that they will not be able to replace the defective item, the Client shall be entitled to provide for the repair of defective Goods through a third party at the Contractor’s cost. In such case, the Contractor shall pay any price difference for undelivered Goods.

# Article VII

# Sanctions for Non-Compliance with the Set Conditions

1. Should the Contractor fail to comply with the delivery time of Goods under this Agreement, the Contractor shall pay to the Client a contractual penalty in the amount of 0.5% of the price of undelivered quantity of Goods excluding VAT for each commenced day of delay, however at least CZK 500 per day, until the full fulfilment of the obligation.
2. Should the Contractor fail to comply with the time limit for removing a defect of Goods, the Contractor shall pay to the Client a contractual penalty in the amount of 0.5% of the price of claimed Goods excluding VAT for each day of delay, however at least CZK 500 per day, until the full fulfilment of the obligation.
3. Should the Client be in delay with the payment of invoices to pay the purchase price duly issued by the Contractor, the Contractor may charge the Client a late interest in the amount determined by generally binding legal regulation.
4. The obliged Party shall pay the contractual penalty regardless of whether or to what extent any demonstrable damages were incurred by the second Party. Such damages shall be recoverable separately, in addition to the contractual penalty. No compensation for damages shall be paid if the obliged Party can prove that the breach in its obligations has been caused by any circumstances which exclude liability of such Party.
5. The contractual penalty or late interest shall be paid within 30 days following the receipt of the respective tax document.
6. No Party shall be responsible for damages caused by circumstances excluding liability within the meaning of the CC. Each Party undertakes to notify the other Party without undue delay of the occurrence of circumstances excluding liability which prevent proper implementation of this Agreement and undertakes to make every effort to avert and overcome such circumstances.

**Article VIII**

**Circumstances Excluding Liability**

1. A Party shall not be liable for any default in the fulfilment of this Agreement if such default was caused by a force majeure (including events such as fire, flood, earthquake, hurricane and similar acts of nature or war, civil unrest, invasion, revolution, rebellion, terrorist attack, blockade, embargo, industrial action, epidemic or pandemic which preclude such Party’s ability to fulfil this Agreement or cause any default therein) which occurs independently of the Party’s will and the occurrence of which could not have been prevented by such Party.
2. The Party which has been unable to fulfil its obligations for the reasons set out in the preceding point shall be obliged to provide the second Party with evidence proving that it has taken all available measures to minimise any negative effects on the fulfilment of the Agreement and that the performance of its obligations arising from this Agreement cannot be justly required. The Party shall also take any measures to continue the performance of this Agreement as soon as the obstruction has terminated.
3. The Party unable to perform for reasons of force majeure shall inform the other Party without undue delay in writing within 15 days of the commencement of circumstances excluding liability or immediately after it becomes aware of them.
4. The Parties shall engage in negotiations to resolve the situation. Should the Parties fail to reach an agreement and the performance be delayed by force majeure for a period of more than 6 months, the other Party shall be entitled to withdraw from the Agreement.

# Article IX

# Other Provisions

1. The Parties hereby undertake not to provide any information mutually provided under this Agreement to any third parties unless the obligation to disclose such information is required by valid legislation of the Czech Republic.
2. This Agreement shall become valid on the date of signature by the last Party and come into effect as of the date of its publication in the Registry of Agreements under the Act No. 340/2015 Coll., on Special Conditions for the Effectiveness of Some Contract, the Disclosure of These Contracts and their Registration (the Contract Registry Act), as amended. The Client shall arrange for the Agreement publication in the Register of Contracts. The aforementioned shall not apply, if it is possible to apply an exemption to the Contract Register Act. In such case, the Agreement shall also come into effect upon its signature by the last Party.
3. This Agreement has been concluded for a definite period of time of either one (1) year or until the target amount of CZK (shall be completed according to Annex 1) (………………… Czech crowns) is exhausted.
4. Rights and obligations under this Agreement shall arise if an order is placed during the term of this Agreement. Rights and obligations arising on the basis of a placed order shall last until their performance is completed.
5. This Agreement can be terminated by written agreement of the Parties at any time during its term. The Agreement can be terminated before the time period under point 8.3. of this Article by either Party even without giving reasons subject to a notice period of 30 (thirty) days following the delivery of the notice of termination to the other Party.
6. Withdrawal from this Agreement as a whole or from partial performance based on a placed order shall be possible in the case of substantial breach of this Agreement by one of the Parties; a substantial breach of this Agreement shall include in particular:
* failure to fulfil obligations arising from Art. II, para. 2.4.,
* the fact that the delivered Goods do not repeatedly (twice) meet the required quality,
* the Contractor’s delay with proper delivery of the Goods exceeding 30 (thirty) calendar days,
* in case of issuance of a bankruptcy ruling pertaining to the Contractor or the Client, a decision on the rejection of an insolvency proposal due to the Contractor or the Client having insufficient assets or a judicial ruling placing a Party in liquidation.
1. Withdrawal from this Agreement shall not affect any of the provisions pertaining to confidentiality of information, compensation for damages, securing of any contractual obligations, dispute resolution and provisions pertaining to those rights and responsibilities which by their very nature shall remain in place after such withdrawal.
2. The Contractor is not entitled to assign its rights and obligations arising from this Agreement to any third party without the Client’s written consent.
3. Relations which are not regulated by this Agreement shall be governed by respective provisions of the CC.
4. Legal relations arising from this Agreement shall be governed by the Czech legal order, in particular the CC, and any disputes arising from these legal relations shall be resolved by Czech courts. Arbitration is excluded.

# Article X

# Final Provisions

1. This Agreement is governed by the laws of the Czech Republic. Any correspondence related to the performance of this Agreement shall be take place in Czech, Russian or English language.
2. Any disputes arising from this Agreement which cannot be settled amicably shall be decided before the courts with substantive and territorial jurisdiction.
3. Should any provision of this Agreement become or be held invalid or unenforceable, such invalidity or unenforceability shall not affect the validity and enforceability of the remaining provisions of this Agreement. The Parties have agreed that in such case, they shall immediately replace such invalid or unenforceable provisions with a valid and enforceable provision in order to achieve, in the maximum extent permitted by law, the same effect and result as pursued by the provision which is being replaced.
4. This Agreement has been drawn up in three (3) counterparts; the Client shall receive two (2) counterparts and the Contractor shall receive one (1) counterpart. Each copy shall be valid as an original.
5. All amendments and supplements to this Agreement are bound by the consent of both Parties and can only be made in writing in the form of an amendment to this Agreement. Amendments shall be properly marked, numbered in ascending order, dated and signed by both Parties.
6. The Parties hereby declare that they have concluded this Agreement based on their free will and with intent to perform, that they are not aware of any facts which would prevent the conclusion of this Agreement, that they have not provided any false representation, and that they are aware in full of legal effects ensuing from wilful presentation of false information, in witness whereof they attach their signatures below.

Annex 1 – List of Goods

|  |  |
| --- | --- |
| On behalf of the Client:Prague, dated ...……………. | On behalf of the Contractor:…………...…..., dated …….………. |
|  |  |
| ------------------------------------------------------------- | ------------------------------------------------------------- |
| LOM PRAHA s.p.Ing. Bc. Radomír Daňhel, MBA, LL.M.,Sales and Logistics Director | *The Contractor fills in its company name,**the name of its representative and their position* |