

AUTO JAROV, s.r.o.
Osiková 2
13000, Prague 3

GENERAL LEASE CONTRACT TERMS - L E A S E O R D E R

These General Lease Terms (hereinafter referred to as the "Lease Order") of AUTO JAROV, s.r.o., registered address Osiková 2, 130 00 Prague 3, Company ID No. 45789584, (hereinafter referred to as the "Lessor") forms an inseparable part of a lease contract describing the motor vehicle rental policy concluded between the Lessor and the Lessee establishing the binding responsibilities of both contracting parties:

I. The Lessee is obliged:

1. before signing the Lease Contract, to present personal identification documentation in order to demonstrate their identity (ID card, passport) and a driver's license or international driver's license and pay a deposit to the Lessor - based on the type of lease and in an amount equal to a lease fee calculated pursuant to the contractually established vehicle lease time,
2. to pay for the petrol necessary to operate the vehicle during the lease period,
3. to protect the leased vehicle from damage, loss or destruction, and to lock the vehicle and use the necessary and required protective devices (security devices, etc.) every time the vehicle is left alone, or the vehicle card, and to not leave any documents inside the vehicle,
4. to protect the vehicle from excessive wear and tear and from damage to the vehicle functional parts,
5. to ensure that the vehicle is not used by any persons other than those specified in the Lease Contract,
6. to maintain written records demonstrating which person uses and drives the assigned vehicle, including the personal information of that person. Upon the Lessor's request, the Lessee is obligated to inform the Lessor in writing and within 3 business days following the receipt of such request, which person was using and driving the relevant vehicle at a certain time, including information identifying that particular person. Should the Lessee violate the responsibility specified in the first or second sentence of this paragraph, or should the information describing the user of the vehicle be incorrect, the Lessee is obligated to pay the Lessor a contractual penalty in the amount of CZK 10,000.00, even though that the Lessee alone did not breach the requirement specified above. The above provision specifying the contractual penalty shall not affect the right of the Lessor to receive reimbursement for any damage resulting from a breach of the relevant responsibility. The Lessor may also require reimbursement for damages exceeding the amount of the contractual penalty,

7. before driving the vehicle, a regular inspection of the vehicle must be performed, including inspection of the cooling fluid, motor oil and brake fluid levels, tyre pressure and break system test. The Lessee must further ensure that the cooling fluid and motor oil temperature will not exceed the permitted levels as indicated by dashboard instruments or as signalled by control lights,

8. if the vehicle is leased for a longer period (which for the purpose of this Lease Contract means a lease lasting longer than one month), the Lessee shall inspect the vehicle battery and perform regular battery maintenance, refill it with distilled water and check the vehicle battery charge - mostly during the winter months,

9. to only use petrol, oils, lubricants, cooling and brake fluids specified by the vehicle manufacturer or by the Lessor, and which are specified in the vehicle operation manual,

10. to return the leased vehicle to the Lessor at the time specified in the Lease Contract,

11. to return the vehicle with a full petrol tank, otherwise the vehicle tank will be fully fuelled at the Lessor's petrol station by Lessor's worker / in the presence of Lessor's worker, and the Lessee undertakes to pay the price of such petrol to the Lessor according to the price list of the Lessor's petrol station. Should the Lessee return a dirty vehicle and should damage be discovered on the vehicle body (paint or lacquer damage), wheels, headlights or vehicle glass, the Lessee shall reimburse the Lessor for the relevant damage,

12. to immediately notify the Lessor about an odometer breakdown and take the vehicle for repair,

13. when the total amount of travelled kilometres reaches 15,000 or 30,000 based on specifications in the vehicle service book and based on the vehicle type, the Lessee shall take the vehicle to a repair shop of the Lessor for a mandatory inspection established by the Lessor or to another repair shop if the Lessor instructs the Lessee to do so,

14. when a defect on the vehicle is discovered, the Lessee shall immediately inform the Lessor and take the vehicle for repair according to instructions issued by the Lessor, either to a repair shop of the Lessor or to any other repair shop, unless based on the Lease Contract or on this Lease Order the Lessee is allowed to repair the defect themselves,

15. to perform necessary maintenance and small repairs on the vehicle for the necessary period, without claiming any reimbursement for such repairs or the right to receive a discounted lease fee,

16. should the vehicle be involved in a traffic accident, the Lessee must immediately inform the Lessor about it and have the vehicle transported to a repair shop of the Lessor or to another repair shop based on the Lessor's instructions. If the Lessee is at fault for the accident, the Lessee shall cover the costs for transporting the vehicle to the repair shop,

17. when the vehicle is returned, the Lessee shall pay any remaining lease fee in cash, and if a long-term lease is concerned, the Lessee

shall accept an invoice showing the final cost breakdown and settle the invoice before the relevant invoice due date,

18. should the Lessee require an extension of the lease term, the Lessee shall come to the Lessor's office and pay an additional deposit as agreed by phone with the Lessor. If the deposit is not paid, the Lease contract will not be extended,

19. if a request is made for the vehicle to be used by another driver, to submit the required documents (identity document, driver's licence) to check the identity of such person and their authorisation to drive a motor vehicle, and to enter the person's data in the Lease Contract,

20. to return the leased vehicle in person, for which a Handover Report shall be made by the Lessee with the Lessor, prepared by the Lessor and signed by the Lessee and Lessor's authorised employee. In this Handover Report, the Lessee must record any defects that occurred on the vehicle or irregularities in the vehicle behaviour. The Lessee is responsible towards the Lessor for any damage resulting from not recording defects or irregularities of the vehicle behaviour in the Handover Report according to this paragraph,

21. not to drive the vehicle outside of the Czech Republic without prior written consent issued by an employee of the Lessor. While abroad, the Lessee must only park the vehicle in a locked garage, a guarded parking lot or in objects with 24 hour security services,

22. if a long-term lease is concerned, the Lessee is obliged to bring the vehicle for inspection every month based on any agreement and instruction issued by employees of the Lessor,

II. The Lessee is entitled:

1. to use the leased vehicle during the agreed lease term as specified in the Lease Contract and for the intended purpose,

2. to have necessary repairs on the vehicle performed in a repair shop provided that it is agreed to by the Lessor and is compliant with any binding instructions issued by the Lessor. The necessary accounting document describing the relevant repair, including a list of used materials or replaced parts, must be presented by the Lessee to the Lessor no later than within 3 days after the repairs are completed,

3. to only drive the vehicle outside the Czech Republic if an employee of the Lessor issued a written approval for the Lessee to do so, however, the Lessor will not be liable to cover vehicle repairs or any costs relevant to transporting the vehicle back to the Czech Republic or any other relevant cost incurred due to a vehicle breakdown or arising from such breakdown occurring outside of the territory of the Czech Republic. The above-specified clause does not apply to repairs covered by a mobility insurance policy and to insurance events.

III. The Lessee may not:

1. allow persons who are not specified in the Lease Contract to use/drive the vehicle,

2. perform any modifications or reconstructions of the vehicle body, functional parts or equipment, or remove any text or labels, etc.

3. overload the vehicle,
4. modify the exterior or interior of the vehicle (labels, colours, text, wallpapers, etc.). Should the Lessee fail to observe these restrictions, they shall reimburse the Lessor for any costs incurred to return the vehicle back to its original state,
5. replace original spare parts with any other parts,
6. participate with the leased vehicle in driving competitions, vehicle racing events or in other events, or to let other persons use the vehicle for these purposes,
7. equip the vehicle with additional equipment (for example a CD player, antenna, towing equipment, fog lights, etc.) without the consent of the Lessor.

IV. The Lessor is obliged:

1. to hand over to the Lessee a vehicle that is clean, in a suitable condition for proper use, with the equipment according to valid regulations, in particular according to Decree No. 341/2014 Coll., on the approval of technical suitability for road traffic and on technical conditions of the operation of vehicles on roads, as amended, and with a full petrol tank,
2. to provide the Lessee with all necessary documents required for operation of the vehicle:
 - certificate of vehicle registration,
 - Lease Contract,
 - Lease Order,
 - document demonstrating damage liability insurance payment,
 - vehicle operation and maintenance instruction manual
 - traffic accident report,
3. to introduce the Lessee with all technical and operational requirements specified by the manufacturer, and to demonstrate the vehicle technical status and equipment, including information about vehicle operational requirements, vehicle fluids and maintenance requirements,
4. to inspect the vehicle upon its return, focusing on the vehicle technical status and the amount of petrol in the tank. Should the vehicle be returned without a full petrol tank, the Lessor shall charge the difference required to fill the tank and the Lessee is obliged to pay such difference,
5. to reimburse the Lessee for all costs spent in connection with regular vehicle inspections as specified in Article I, paragraph 13, or for vehicle repair costs as specified in Article I, paragraphs 14 or 16 performed in a repair shop other than the repair shop of the Lessor, provided that the Lessor issued instructions pursuant to this Lease Order to have the vehicle repaired in another repair shop, and provided that the repair was supported by an accounting document/receipt stamped and confirmed by the person who performed the repair. This receipt must include the vehicle license plate number, odometer reading at the time of the repair and the scope of the repair, VAT amount and VAT No. of the Lessor,

6. if the vehicle breaks down and is unsuitable for use/driving, and provided that this breakdown occurred while all requirements specified in the Lease Order were observed or if the breakdown occurred without being the Lessee's fault, the Lessor shall pay for all demonstrated and justified costs acquired by the Lessee in connection with the vehicle repair. The scope of the costs to be reimbursed shall be determined by the Lessor,

7. if the Lessee does not return the vehicle in the manner described in Article I, paragraph 20 of this Lease Order within 24 hours after the expiry of the agreed return time of the vehicle, to notify, after further administrative actions, the matter to the authorised employee who should initiate measures for the vehicle return and enforcement of the lease fee payment at the rates determined by this Lease Order, or to hand over a vehicle return enforcement and lease payment enforcement directly to the collaborating law firm. To avoid any doubt, the Lessee acknowledges that the failure to return the vehicle according to Article I, paragraph 20 of this Lease Order, i.e., without signing the Handover Report, is regarded in the context of this paragraph as a failure to handover the vehicle.

V. The Lessor is entitled:

1. to inspect whether the lease conditions and requirements specified in the Lease Order are properly observed,

2. to verify whether the Lessee or other persons allowed to use the leased vehicle possess the necessary driver's license with the applicable class, as well as the experience and knowledge necessary to drive the vehicle,

3. to withdraw from the Lease Contract if the Lessor determines that the Lessee breached the responsibilities specified in the Lease Contract. In such scenario, the Lessor will claim their right to reimbursement of damages, including payment of a contractual penalty specified in the Lease Order,

4. should the vehicle, or any of its parts or equipment, be damaged or destroyed through the fault of the Lessee, including cases where such damages occurred due to the failure to follow the necessary maintenance requirements or instructions in the vehicle operation manual, or if such damage was inflicted by an unknown person and provided that such damage is not covered by an insurance policy, the Lessor will claim its right to the reimbursement of damages from the Lessee. While the damaged vehicle remains in a repair shop, the Lessee will be charged the basic lease fee. Should the vehicle be stolen, the Lessor is entitled to exercise deductible rights towards the Lessee as specified in Article VI. paragraphs 3 or 4 of the Lease Order,

5. should the Lessor suspect any criminal activity, it will notify the police of the Czech Republic,

6. should the vehicle be damaged or soiled, the Lessor is entitled to request reimbursement for costs spent to wash, repair, clean and disinfect the vehicle, and shall do so according to the valid price list of the relevant repair shop,

7. the Lessor is entitled to request that the Lessee brings the vehicle back at time intervals specified in the Lease Contract for the purpose of performing planned maintenance or inspection. Should the

Lessee fail to follow the scheduled days booked in the relevant repair shop, the Lessor will charge the Lessee a late booking fee.

VI. Insurance policy - Lessee's PU deductible

1. The Lessor is responsible for having and carrying vehicle liability damage insurance for the operation of motor vehicles and traffic accident liability coverage, as well as theft or damage insurance covering the leased vehicle and shall do so within the scope established by valid legal requirements and applicable insurance conditions set forth by the insurance company. This insurance does not apply to damage resulting from a breach of the applicable provisions of the legal regulations which determine the rules of road traffic and road traffic management, and to damage which resulted from a failure to follow the technical conditions and operational instructions of the vehicle manufacturer, conditions of the vehicle lease or insurance conditions.

2. Any additional insurance coverage above the scope of the minimum insurance coverage shall be paid by the Lessee.

3. Should an insurance event occur due to a fault of the Lessee or a fault of an unknown person, the Lessee shall pay the established deductible amount set at CZK 10,000 or 10% of the incurred damage, whichever amount is higher. If the contracting parties so agree in the Lease Agreement and the Lessee undertakes to pay the Lessor a surcharge for arranging a lower deductible, the deductible of the insurance event caused by the Lessee or unknown person will amount to CZK 5,000 or 5% of the incurred damage, whichever amount is higher.

4. Should an insurance event include death or personal injury or other vehicle damage which is covered by the mandatory liability insurance, the Lessee must immediately report such event to the Lessor, but no later than within 3 days following the occurrence of the insurance event. Should the Lessee fail to comply with the notification requirement, they shall reimburse the Lessor for all damage incurred as a result of reduced insurance benefit payment - as a penalty for failing to report the insurance event in time, or as a penalty for failing to comply with the notification requirement.

VII. Traffic accidents and damages

1. The Lessee is obliged to immediately report each insurance event to the Lessor and to the Police of the Czech Republic, or to a police department of the relevant state where the insurance event occurred, if such reporting is required by the generally binding legal regulations of the Czech Republic or other state where the insurance event occurred. Should the Lessee fail to do so, they shall be liable for any damage incurred by the Lessor resulting from the failure of the Lessee to follow the reporting responsibility. If an event is reported to the Police, the Lessee is obliged to request the Police Department to issue a confirmation report.

2. For each insurance event, regardless of how the insurance event occurred, the Lessee is obliged to fill out the necessary Insurance Event Report and immediately hand over the completed Insurance Report together with other necessary documents to the Lessor, who shall determine the subsequent course of the damage claim process.

VIII. Conclusion of the Lease Contract

1. The Lessor shall conclude a Lease Contract with the Lessee based on the provisions specified in this Lease Order.

2. By signing the Lease Contract, the Lessee confirms that:

- the Lessee was properly introduced to the Lease Order and vehicle operation requirements,
- the lease fee and lease conditions and requirements were properly introduced to the Lessee, including penalties for failing to observe the Lease Order,
- the Lessee received a clean and properly working vehicle that is suitable for road operation, as well as the necessary vehicle equipment as required by the applicable generally binding legal regulations and as specified in the Lease Contract,
- the Lessee accepted and received all necessary documents for the proper operation of the vehicle (Vehicle technical status certificate, Lease Contract, Lease Order, damage liability insurance payment confirmation, vehicle operation instruction manual, traffic accident report),
- the Lessee was properly introduced and familiarised with technical and operational requirements specified by the vehicle manufacturer,
- the Lessee accepted a fully fuelled vehicle, and further agreed to return the vehicle back to the Lessor with a full petrol tank.

3. In case of a long-term lease, each contracting party may terminate the Lease Contract by a written notice of termination with a one-month notice period, which shall commence on the day that the written notice of termination is delivered to the other party.

4. Should the Lessee breach the regulations specified in the Lease Contract or in this Lease Order, the Lessor is entitled to immediately terminate the Lease Contract, and the Lessee is obliged to immediately return the vehicle to the Lessor.

Effective as of 01/01/2020



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AUTO JAROV, s.r.o.
Václav Fojtík,
Company Representative

