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TEMPLATE

**AGREEMENT ON THE PERFORMANCE OF THE
OFFICE OF MANAGING DIRECTOR**

entered into in accordance with Section 59 et seq. of Act No. 90/2012 Coll., on Business Companies and Cooperatives (Business Corporations Act), as amended (the "**BCA**")

between

[•]

with its registered seat office at [•], ID No.: [•], registered in the commercial register maintained by the [•] Court in [•] under File No. [•]
(the "**Company**")

and

[•]

born on [•],
residing at [•]
(the "**Managing Director**")

This Agreement on the performance of the office of Managing Director is hereinafter referred to as the "**Agreement**".

The Company and the Managing Director are hereinafter together referred to as the "**Parties**".

PREAMBLE

- (A) The Managing Director was appointed in accordance with applicable legal regulations and the Memorandum of Association of the Company to the office of Managing Director of the Company, based on a resolution of the [sole shareholder]/[general meeting] as of [•].
- (B) The Managing Director and the Company decided to define their mutual rights and obligations arising out of the appointment of the Managing Director to the office of the Company's managing director by this executive service agreement.

NOW, THEREFORE, the Parties have agreed on the following agreement on performance of the office of managing director (in Czech: *smlouva o výkonu funkce jednatele*) (the "**Agreement**") in accordance with the respective provisions of the BCA, in particular in accordance with Section 59 of the BCA:

1 Activities of the Managing Director

- 1.1 The Managing Director shall carry out the office of managing director of the Company in accordance with legal regulations, the memorandum of association of the Company, the resolutions of the general meeting of the Company and this Agreement.
- 1.2 The Managing Director shall be responsible for the business management of the Company and its business activities and for such other matters as specified by the respective Czech legal regulations, this Agreement, the memorandum of association of the Company and the resolutions of the general meeting of the Company to the extent permitted by applicable law.

2 Obligations of the Managing Director

- 2.1 The Managing Director undertakes, in particular to:
 - 2.1.1 represent the Company;
 - 2.1.2 ensuring the day-to-day economic operations of the Company, including proper bookkeeping and other records;
 - 2.1.3 prepare and submit to the general meeting of the Company certain documents and information, including, but not limited to, the Company's business concept, any proposal to change the memorandum of association of the Company, any proposal to increase or decrease the Company's registered capital, financial statements of the Company in accordance with legal regulations, the resolutions of the general meeting of the Company and the memorandum of association of the Company;
 - 2.1.4 perform the rights of the Company as the employer towards its employees;

- 2.1.5 maintain a list of shareholders of the Company.
- 2.2 The Managing Director undertakes to perform the office of the Managing Director of the Company professionally, with due managerial care and to the best of their abilities. The Managing Director shall devote all necessary time, attention and skill to the proper performance of their duties hereunder.
- 2.3 The work of the Managing Director is not bound by fixed working hours. The Managing Director, if necessary, shall be at the Company's disposal, if required by the interest of the Company.
- 2.4 The Managing director is under no circumstances permitted to request, be promised or accept favours of whatever kind or for whatever reason in connection with the exercise of their duties.

3 Remuneration

- 3.1 The Managing director shall perform the office of managing director [**free of charge**, i.e. without right for compensation]/[for gross remuneration amounting to [•] per month].
- 3.2 [The Remuneration shall be due and payable monthly, by the [•] day of the following calendar month to the bank account notified in writing by the Managing Director to the Company.]

4 [Reimbursement of Costs]

- 4.1 [The Managing Director is entitled to reimbursement of reasonably spent costs arising in connection with the performance of their office as Managing Director for the Company upon submission of a corresponding document (e.g. invoice, receipt) to the Company. These costs (e.g. travel costs, accommodation) will be, to the extent they exclusively relate to performance of office for the Company, borne directly and paid out to the Managing Director by the Company upon the submission of supporting documentation.]

5 Duration and Termination

- 5.1 This Agreement was concluded for the time period that the Managing Director executes the post of the Company's managing director.
- 5.2 This Agreement will terminate as a result of any of the following legal circumstances:
- a) the execution of an agreement on the termination hereof;
 - b) the recall of the Managing Director from the post of the Company's managing director;
 - c) the resignation of the Managing Director from the post of the Company's

managing director;

- d) the dissolution of the Company;
- e) the death of the Managing Director; and
- f) loss of the Managing Director's full legal capacity to perform acts.

5.3 Prior to the termination of the performance of the Managing director's office, the Managing Director shall take all measures necessary to prevent any damage arising to the Company or demonstrably inform the general meeting of the necessity of such measures.

5.4 [For the avoidance of doubt, the provisions, that, based on their nature, shall survive the termination of this Agreement, including [the non-competition clause] [and] [provisions on confidentiality] [and] [provisions on intellectual property protection], shall remain unaffected by the termination of this Agreement.]

6 Non-competition clause

6.1 The statutory prohibition of competition under Section 199 of the BCA shall apply to the Managing Director.

6.2 [•]

7 [Confidentiality]

7.1 [The Managing Director is obliged to keep confidential any and all facts protected by the Company as business secrets or designated as confidential information about which they have learned in connection with the performance of the post of the Company's managing director.]

7.2 [During the period of this Agreement the Managing Director shall not, for whatever reason, use, publish, pass to another third party or use for their own benefit or the benefit of any other third parties, any documents, information or communication about which they have learned during the performing of the post of the Company's managing director, regarding especially its clients, business partners and/or suppliers, as well as pricing and business policies of the Company.]

7.3 [Without prejudice to the above provisions the Managing Director is obliged during the period of this Agreement and for the period of [one] year after the termination of their post of the Company's managing director to:

- a) keep confidential production, technical, organisational information, information on the Company's business and financial situation and other information which he learned about while performing their office and which should be kept as a business secret; procure that such secret information does not fall into the hands of unauthorised persons;

- b) make every effort to prevent unauthorised publication or disclosure of confidential or secret information; and
- c) inform the Company of facts that may endanger the Company's good reputation and prosperity.]

8 Intellectual Property Rights

- 8.1 Work under this Agreement refers to the results of a creative activity within the meaning of the Act no. 121/2000 Coll, Copyright Act, as amended (the "**Copyright Act**") which was created by the Managing Director alone or jointly with others within the performance of their office (the "**Work**").
- 8.2 The Managing Director hereby represents and warrants that the Company has acquired and will in the future acquire the right to exercise in its own name and on its own account proprietary rights in the Work under Section 58(10) of the Copyright Act. The Managing Director expressly declares that they do not insist on themselves being presented as the author of the Work. The Managing Director hereby further represents and warrants to have granted the Company with their irrevocable consent to assign or otherwise transfer (wholly or partially) the above-mentioned existing or future rights in respect of the Work to third parties.
- 8.3 The Managing Director hereby in the extent permissible by law assigns to the Company the right to exercise all proprietary rights in the Work (in Czech "*právo vykonávat majetková práva k dílu*"), including the possibility of further assignment of such right to any third party.
- 8.4 To the extent that the Managing Director has not assigned the right to exercise all proprietary rights in the Work, the Managing Director hereby grants to the Company an exclusive, royalty-free, irrevocable and unrestricted right of use the Work (the "**Licence to the Work**").
- 8.5 The Managing Director agrees that the Company in particular may, according to its needs, publish the Work, or part thereof, or otherwise make it available to third parties, under its own name, make copies and translations thereof, and alter, combine with other works and complete the unfinished part of the Work. This authorisation shall extend towards any third parties to which the Managing Director's economic rights to the Work has been conveyed or assigned.
- 8.6 This Agreement also applies to any other intellectual property created by the Managing Director acting alone or jointly with other authors with the fulfilment of their obligations under this Agreement, in particular to know-how, designs, marketing research, patents and utility models, applied designs, industrial designs, business secrets, trademarks, inventions and technical solutions and databases (together the "**Remaining Intellectual Property**").
- 8.7 The Parties expressly agreed that the provisions of this Clause 8 and of the Copyright Act (by analogy) are applicable to the transition of rights in the Remaining

Intellectual Property to the Company and that the Company will acquire, to the maximum extent permitted by law, and will in its own name and on its own account exercise the rights to the Remaining Intellectual Property.

- 8.8 If full acquisition of rights to the Remaining Intellectual Property by the Company is not possible, the Managing Director hereby grants to the Company an exclusive, royalty-free, irrevocable and unrestricted right of use to the Remaining Intellectual Property created by Managing Director during the commencement of their office, and (ii) grants to the Company right to use the Remaining Intellectual Property (the "**Licence to the Remaining Intellectual Property**"). The Licence is granted for all known types of use and for any purpose deemed appropriate by the Company.
- 8.9 The Company is entitled to assign, license, sub-license, grant or otherwise transfer any of its rights in respect of the Remaining Intellectual Property to any third party.
- 8.10 The Managing Director undertakes to immediately inform the Company thereof in writing, stating the subject-matter of the Invention, date of creation and the names of all Intellectual Property, and to hand over to the Company all materials and information necessary to evaluate the creation and to secure its legal protection in favour of the Company. The Managing Director is not allowed to disclose any information relating to the Remaining Intellectual Property to any persons or third parties without the Company's explicit consent. This obligation of the Managing Director shall survive the termination of their office.
- 8.11 The Managing Director undertakes to provide to the Company all assistance required for the due exercise of the Company's rights to the Work or Remaining Intellectual Property and to secure their legal protection in favour of the Company, including execution of any documents, requests or transfer deeds. This obligation of the Managing Director shall survive the termination of their office and shall be applied analogously towards any third parties to which the Managing Director's right to the Work or Invention has been conveyed or assigned.
- 8.12 The Parties agree that (i) The Parties agree that the transfer, assignment or licensing of rights in the Work, Remaining Intellectual Property and Rights under this Agreement is free of charge, and (ii) the Managing Director is not entitled to receive any additional remuneration in connection with the creation of Work or Remaining Intellectual Property and/or with granting any authorisations or permissions under this Clause 8 because such remuneration has already been included in the remuneration provided by the Company under this Agreement
- 8.13 The Managing Director acknowledges and agrees that the provisions of this Clause 8 shall apply without exceptions to any and all Works or Remaining Intellectual Property or their parts created by the Managing Director since the commencement of the term of their office.
- 8.14 The assignment and transfer of rights under this Agreement will be unaffected by the termination of the performance of the post of managing director of the

Company.

- 8.15 The Managing Director is not entitled to exercise any of their rights in the Work and the Remaining Intellectual Property. The Managing Director is obliged to refrain from using the Work and Remaining Intellectual Property in any way and from exercising any rights falling under the Licence to the Work and the Licence to the Remaining Intellectual Property.
- 8.16 Irrespective of their obligations under Article 8 of this Agreement, the Managing Director shall immediately after the termination of this Agreement within 3 days deliver to the Company, or another person who the Company may nominate in writing, all books, papers, drawings, designs, records and computer software in their possession or under their control at that date, which relate to or concern any the Work or Remaining Intellectual Property.

9 Obligations upon termination

- 9.1 On the day the Managing Director's term of office ends for any reason, the Managing Director is obliged to:
- a) hand over to the Company all keys, correspondence, documents, specifications, reports, papers and records (including any computer materials such as drives, discs and tapes) and all copies of the above, as well as other property belonging to the Company which he could possess or have under their control and which relate in any way to the Company's business or affairs regarding any supplier, representative or customer of the Company, and shall not keep any such materials without the Company's written approval;
 - b) immediately stop using the office that he has been provided with as managing director; and
 - c) not at any time present himself as still being connected with the Company as its managing director.

9.2 [•]

10 Final Provisions

- 10.1 This Agreement shall be governed by and construed in accordance with the laws of the Czech Republic, in particular the BCA.
- 10.2 The Parties acknowledge that in accordance with Section 59 of BCA, this Agreement is subject to approval of the [general meeting of the Company]/[sole shareholder acting in the capacity of the general meeting of the Company].
- 10.3 All changes and amendments to this Agreement shall be made in writing in the form of numbered amendments and are subject to the approval of the general meeting of the Company, or of the sole shareholder acting in the capacity of the General

Meeting of the Company.

- 10.4 Should any provision of this Agreement be invalid, void or unenforceable, then such provision shall not invalidate, render void or make unenforceable the entire Agreement. In such case, the Parties shall substitute such invalid, void or unenforceable provision by another provision which will, by its content and purpose, as nearly as possible have the content and achieve the purpose of the invalid, void and/or unenforceable provision, within 14 days after delivery of a notice to the other Party.
- 10.5 This Agreement is executed in two (2) counterparts in English whereas each Party shall receive one (1) counterpart.
- 10.6 The Parties acknowledge that they have read and understood the terms and conditions contained in this Agreement. In witness of their true and earnest will to accept the obligations arising for them from this Agreement, they attach their signatures hereto. The Parties hereby acknowledge receipt of respective counterparts of this Agreement.

In _____ on _____

The Company:

The Managing Director:

name: _____

title: _____

name: _____

title: _____