



it financial group of **the red 's**
it finanční skupina **the red 's**

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MANDATE CONTRACT No. EXAMPLE

concluded pursuant to the provisions of Section 566 et seq. of Act No. 513/1991 Coll., the Commercial Code, as amended by later legislation

1. The **CONTRACTING PARTIES** of

- 1.1. Company/Name:
Company Seat/Address (including street and postal code):
Mailing Address (including street and postal code):
Company Identification Number/Birth Register Number:
Tax Identification Number:
Account Number:
Tel./Fax:
E-mail:
Represented by:

(hereinafter referred to as the "Mandator")

- 1.2. Company: **DEREDES s.r.o.**
Company Seat: Sokolovská 84-86, Prague 8, 182 00
Company Identification Number: 26 95 66 75
Tax Identification Number: CZ26956675
Represented by: Aleš Slabý, Executive Officer

(hereinafter referred to as the "Mandatar")

(The Mandator and Mandatar are hereinafter jointly referred to as the "Contracting Parties" or individually as "Contracting Party".)

on the below-specified month, day and year, hereby conclude the following Mandate Contract:

2. **SUBJECT OF THE CONTRACT**

- 2.1. The Mandator grants the Mandatar a **Power of Attorney** for accepting cash and for all legal tasks outside of court, which the Mandatar will perform in the Mandator's name and at its account on the basis of this Contract.
- 2.2. Through this Contract, the Mandatar undertakes to act in accordance with this Contract in the Mandator's name and its account and will complete the legal tasks necessary for settling the receivables the Mandator holds against its debtors in the scope specified in the attachments to this Contract. The Mandator grants its explicit consent to the Mandatar whereby the Mandatar can act in accordance with this Contract in the Mandator's name and negotiate payment schedules for the applicable debts and negotiate the conditions for financial settlement between the Mandator and its debtors.
- 2.3. The Mandatar's obligation as defined in Article 2.2 of this Contract shall be understood as having been met on the date when the appropriate amount or portion thereof, is credited to the mandator's account or on the date when the amount due is paid in cash and the cash is transferred to the Mandator.

3. MANDATARY'S COMPENSATION

3.1. In return for its activities, the Mandatary is due compensation in an amount equal to 5% of the amount of fulfillment as defined in Article 2.3 of this Contract. The Mandator is obligated to pay this amount within ten days of receiving an invoice from the Mandatary or immediately if the amount due is transferred in cash.

3.2. The Mandatary's compensation as specified in Article 3.1 of this Contract is due and payable to the Mandatary within ten days after this Contract is no longer in effect in the event that the amount due is credited to the Mandator's account during that timeframe or if it is received in cash and transferred to the Mandator during that timeframe by the Mandatary or the debtor.

3.3. In the event that the amount due or a portion thereof is paid on the basis of a confirmed payment schedule, the Mandatary is due the contractual compensation specified in Article 3.1 of this Contract for each payment credited to the Mandator's account or each payment made in cash and transferred to the mandator by the Mandatary or the debtor. In these situations, the Mandatary's contractual compensation is due and payable within ten days of the date each individual payment is made.

3.4. As a rule, the transfer of the amount due will be performed by means of a cash-free transfer to the Mandator's bank account as specified in the heading of this Contract. The Mandator has the right to inform the Mandatary at any time in writing of a different bank account to which the Mandatary should transfer the monetary amount by means of a cash-free transfer. If the account number is not specified in this Contract, is obviously incorrect or does not exist, payment will be sent by means of a postal money order and paid in cash, whereby the expenses related to the cash transfer will be paid by the Mandator.

4. RIGHTS AND OBLIGATIONS OF THE CONTRACTING PARTIES

4.1. The Mandator is obligated to furnish the Mandatary with all known information, data and documents about the receivable and the data and which are related to intermediation of the payment. The Mandator undertakes to cooperate with the Mandatary with regard to providing information on the receivables that are the subject of collection and their subsequent settlement. The Mandator is responsible for ensuring that the receivable is justified. In the event that the receivable is fictitious, the Mandator bears full legal responsibility for any subsequent fraudulent acquisition of cash or other fulfillment as well as any other damages that might be suffered by the Mandatary or any third parties. Pursuant to generally valid legal regulations, the Mandatary is then obligated to compensate the damaged party for the full extent of damages, including lost profits, and any related amounts.

4.2. The Mandator undertakes to not attempt to resolve any of the receivables transferred to the Mandatary in accordance with Article 2.2 of this Contract out of court. If a debtor contacts the Mandator during the period of time this contractual relationship remains in existence, the Mandator undertakes to inform the debtor of the fact that collection of the receivable was transferred to the Mandatary and will avoid any further contact. A breach of this provision could result in immediate withdrawal from this Contract on the part of the Mandatary, who also has the right to request the Mandator to pay a contractual penalty in an amount of up to the value of the negotiated compensation.

4.3. The Mandatary is obligated to perform its activities as provided in Article 2.2 of this Contract according to the Mandator's instructions and in accordance with the mandator's interests, of which the Mandatary is aware or which it must know.

4.4. The Mandator is obligated to ensure that all of the instructions provided to the Mandatary are comprehensible, unambiguous and legible and that all of these instructions contain full and accurate information. Instructions provided in writing cannot be written in pencil, overwritten, erased or crossed out. They cannot be damaged or illegible. If these conditions are not met, the Mandatary has the right to not accept these instructions and return them as non-executable, whereby the Mandatary is not liable for any damages that might result as a result of the instructions not being executed. The Mandator is obligated to ensure that its instructions are in accordance with the valid and effective accounting regulations of the Czech Republic. If the Mandatary believes that legal regulations would be breached as a result of any of the instructions, the Mandatary has the right to refuse to execute any such instructions. The Mandatary shall inform the Mandator of any such situation in an appropriate manner.

4.5. The Mandatary is not obligated to accept actions that are performed in a manner that justifiably results in any doubts about the legitimacy or validity of the instructions. In these cases, the Mandatary does not bear liability for any damages that result from not executing these instructions or the delayed execution of these instructions. The Mandatary shall inform the Mandator of any such situation in an appropriate manner.

4.6. The Mandatary has the right to perform only those instructions that comply with legal regulations and can thus request that materials proving the purpose of the requested instructions be furnished prior to the execution thereof.

5. CONTRACTUAL VALIDITY

5.1. This Contract is concluded for an indefinite period of time.

6. DISCHARGE OF THE CONTRACT

6.1. In the event of the discharge of this Contract the Mandator's and the Mandatary's obligations will be governed by the provisions of Section 574 and Section 575 of Act No. 513/1991 Coll., the Commercial Code, as amended by later regulations.

6.2. Each of the Contracting Parties has the right to discharge this Contract without cause by means of a written notice of withdrawal addressed to the other Contracting Party, whereby the notice period is established at three months. The notice period starts on the first day of the month following the month in which the notice is delivered to the other Contracting Party.

6.3. This Contract can also be terminated on the basis of a mutual agreement between the Contracting Parties, which must specify the conditions that must be met at the time of termination, the specific date on which the Contract will be terminated and any other provisions not specified otherwise by this Contract.

6.4. None of the Mandator's and Mandatary's receivables ensuing from this Contract expire at the time this Contract is terminated. The Contracting Parties have agreed that the statute of limitations for all rights and obligations ensuing from this Contract is established as a period of ten years as of the date this period starts.

7. COMPLAINT PROCESSING

7.1. A complaint is understood to consist of the Mandator's suspicions that there are deficiencies in the fulfillment of the conditions of the Mandate Contract and/or any addenda thereto or any other conditions that are issued by the Mandatary.

7.2. The Mandatary is obligated to process any complaints within a timeframe of thirty (30) days and send a reply or its opinion on the submitted complaint to the Mandator by no later than the last date of this timeframe. If a complaint cannot be processed within the thirty day timeframe, the Mandatary is obligated to inform the Mandator of the reasons why the complaint could not be processed within the designated timeframe and, if possible, the subsequent steps that will be taken and an alternate timeframe. This timeframe does not include any periods of waiting time for the correction of the complaint or for the provision of additional information.

7.3. The Mandatary will submit its reply regarding the complaint to the Mandator through the same communications channels that were used to accept the complaint, unless another method of submitting the reply are agreed on the basis of an individual agreement with the Mandator.

7.4. All complaints that are received must include accurate identification of the Mandator and contact information (Client's name; Birth Register Number or date of birth and, in the case of a Client that is a legal entity, the Company Identification Number; e-mail address; and a telephone number where the Client can be reached); the subject of the complaint (including the identification/reference number and name of the product/service to which the complaint pertains; information on the timeframe; a description of relevant facts and circumstances; etc); and the Mandator's authentication information (e.g., communications password, etc.).

7.5. If a submitted complaint does not include the required information, the Mandator will be requested to supplement it.

7.6. The Mandatary bears all expenses for processing a complaint. If the Mandator submits the same complaint repeatedly without specifying any new relevant information or facts or if a complaint is submitted in an entirely unjustified manner or without any purpose, the Mandatary has the right to bill the Mandator for any expenses related to the complaint.

7.7. The Mandator should send any objections to the manner in which a complaint is resolved as well as any grievances without undue delay to the Mandatary's Compliance Divisions at: DEREDES, s.r.o. Compliance Division, U Třešňovky 492/1, Prague 8, Postal Code 182 00. In the event that the Mandatary does not process an objection to the manner in which a complaint was resolved within a timeframe of ninety (90) days, the Mandatary is obligated to inform the Mandator of the status of the situation. Once the applicable investigation is completed, the Mandatary is obligated to send the Mandator a reply that provides information on how the objection was processed. A grievance is understood to be an instigation submitted by a Client, or even someone who is not a client of the Mandatary, which brings attention to any possible deficiencies in the procedures used, in the fulfillment of obligations ensuing from valid legal regulations or in the actions of the Mandatary's individual employees. Complaints and grievances must be exercised without undue delay after the individual submitting the

complaint discovers the deficiencies in fulfillment. The Mandatary will send the results of the complaint resolution via registered mail.

8. CONCLUDING PROVISIONS

8.1. The Mandatary is aware that the receivable is or can be simultaneously claimed through the courts.

8.2. The Contracting Parties undertake to exert maximum efforts to resolve any dispute by means of an agreement. The Contracting Parties have agreed that all property disputes will be decided through arbitration proceedings excluding the legal powers of the courts. The disputes will be decided by one arbitrator appointed by the administrator of the Arbitrator List maintained by the arbitration company Společnost pro rozhodčí řízení, a.s. (Identification Number: 26421381), which is registered at Prague 2, Sokolská 60, Postal Code 120 00 (hereinafter referred to as the "Company"). The Contracting Parties declare that they are familiar with the contents of the Procedure Code for arbitration proceedings held before the Company, the Rules for Arbitration Proceeding Expenses, and the Company's Organizational and Office Code. The Contracting Parties can also obtain information on the rights and obligations ensuing from these documents at the Company's registered address, where they can also obtain copies of the Procedure Code and the Rules for Arbitration Proceeding Expenses after paying the copy fee. The documents are also available at: <http://www.rozhodci-rizeni.cz/>. Both Contracting Parties have agreed and take into consideration the fact that the arbitration proceedings will not be public, will generally be conducted in writing and if the defending party does not submit its statement within a timeframe of seven calendar days of the date on which the petition was received, the facts expressed and specified in the petition will be considered as being undisputed. As a rule, the site of the proceedings is the Company's registered address. All written communications are delivered by mail or personally. The applicable provisions of the Civil Procedure Code on the delivery of written communications to the hands of the addressee will be applied to those situations wherein one of the parties involved in the dispute is not present at the time of delivery of a written communication although the delivery address is their standard address. Repeat delivery attempts are not required and it is understood that, if the addressee does not fetch the written communication within a timeframe of ten days of the date it is stored, it will be considered as having been delivered, even if the addressee never learns of the fact that it has been stored. Written communications will be delivered to the address of the defending party as specified in the Mandate Contract, unless this party provides written notification of another address to which it wants written communications to be delivered and is bound by this different address. In the event that the defending party does not meet this obligation and stays at a different address, written communications over the course of the arbitration proceeding will be delivered to the address known to the petitioner and the defending party takes into consideration the fact that this situation is decisive for the arbitration proceedings as if the defending party did stay at this address.

8.3. Both Contracting Parties undertake that they will not use any confidential information about the other Contracting Party, which they will have access to in relation to providing fulfillment in accordance with this Contract, for their own purposes or provide any such information to third parties. If the Contracting Parties do not agree explicitly otherwise, confidential information includes all information that is the subject of trade secrets (e.g., full or partial descriptions of processes and samples; technical samples and know-how; information on operational methods and procedures; work processes; business and marketing plans, concepts and strategies or any portion thereof; offers; contracts, agreements and any other arrangements with third parties; financial results; relationships with business partners; employment issues) as well as any other information that could damage the party that provided the information in the event that it is made public by the receiving party. Both Contracting Parties take into consideration the fact that all of the information specified in this Contract is also understood to be confidential.

8.4. The Contracting Parties have agreed that the Mandatary has the right to offset any of its due and payable, not yet payable and expired receivables against the Mandator, which originated in relation to fulfillment provided on the basis of this Contract, at any time.

8.5. The Mandator agrees that all information that the Mandatary acquires within the framework of the services provided can be processed using computer equipment and then provided and further processed both within the framework of the Mandatary's internal structure as well as by other members of the financial group, namely shareholders, other members of the consolidated unit and persons who hold controlling interest in the Mandatary pursuant to the relevant legal regulations. This information will be used primarily for the purposes of providing protection against the Mandatary's risks, for reporting purposes, for audit purposes, and for internal controls. It can also be provided to other entities that jointly participate in the Mandatary's transactions with the Mandator or intend to participate in these transactions through the assumption of risk. The information can also be provided in the scope that is required for the decision-making of any possible future assignee in relation to the assignment of the Mandator's receivable to a future assignee. It can also be provided in the required scope to legal

representatives and other entities with whom the Mandatary cooperates for the purposes of collecting receivables. The information can also be provided to the applicable third parties pursuant to special legal regulations.

8.6. The contents of this Contract can be modified only through written addenda that are signed by both Contracting Parties.

8.7. This Contract becomes valid and effective as of the date it is signed by both Contracting Parties. The Contracting Parties have read this Contract and are in agreement with the contents thereof, which is an expression of their own free will. As proof of their agreement and their consent with the accuracy of the contents as well as format of this Contract, the Contracting Parties hereby affix their signatures.

8.8. This Contract is executed in duplicate, whereby each of the Contracting Parties shall retain one copy, whereby the list of receivables that are being transferred, the questionnaire on the receivables, and any documents that are attached as proof of the receivables the Mandator holds against a debtor are all understood to be integral components of this Contract.

8.9. The Contracting Parties declare that this Contract is executed in accordance with their own free and true will, definitely, solemnly and comprehensibly. As proof thereof and of their agreement with the contents of this Contract, the Contracting Parties hereby affix their personal signatures.

I would like VIP client support with active access, express processing and guaranteeing my receivable (processing time is generally decreased by 50%). In addition, I will receive a special welcome package that includes the book "Receivables – A Handbook for Creditors" (hardback, 284 pages), a CD-ROM containing sample contracts, as well as a choice of promotional materials from deredes s.r.o and its partners (e.g., a brand name backpack, a pocket flask, metal lighter mobile telephone stand, quality baseball cap, lighting pen calculator, puzzle, and others according to the actual offering, which can change at any time and items are available only while supplies last) . The fee for this service is CZK 4,990. In addition, I'll have the option of **checking the status of my receivable on the 800 888 858 Info Line** and thus be able to communicate with deredes free of charge.

- In order for your welcome to the VIP Club to be truly perfect, you'll receive a free bottle of **Bohemia Sekt**.

I would like electronic access to my account in order to view my receivables portfolio and an updated detailed status of the resolution process, as well as any other information related to my contract. Other information that I expect to be able to view is the date the debt is paid by the debtor or a signed payment schedule, the tasks that are expected to take place for the purpose of resolving the debt, statistical information and other useful data. This service can only be ordered in conjunction with activated VIP client support. The fee for this service is CZK 3480 per month. This service must be ordered for a minimum of three months.

I would like to include the debtor in the Debtor Database until such time that the debt is paid in full. (Please refer to our website for more information.) The fee for this service is in the amount of CZK 1890 for the administrator of the debtor's register. This fee applies only to the first debtor that is included. All additional debtors will be included for a service fee of CZK 990 per debtor. **For VIP clients, this fee is reduced to CZK 1.**

Prague, September 18, 2008

.....
on behalf of the Mandator

.....
on behalf of the Mandatary

Password for communications (maximum of fifteen characters):

Telephone number for activating the info line (only for VIP clients):

Client Number (please leave blank):

Authentication Code (please leave blank): Q11F08PF46D18LL9P08

Please keep the information from this section of the Contract in a safe place. Without this information it will not be possible to provide any information on the receivable.

Notice:

When you send the contract to us, do not forget to include the completed questionnaire about your receivable or package of receivables. This contract can be concluded only with the contents sent via the postal service or by e-mail after the questionnaire is evaluated by the Mandatary and the compensation percentage has been determined. Any unapproved changes to the text of this Contract made by the Mandator or any third party in other than the designated input fields will be invalid. We recommend that the Contract be completed and printed using Microsoft Office Word software – from version 2003 or 2007 and up. We do not guarantee that the Contract will be readable and complete if any other software is used. Any elective services (VIP and electronic access) can be used for the entire period of time that the Contract remains in existence, i.e., for any new receivables or for multiple receivables.