

AGREEMENT ON PERFORMANCE OF THE OFFICE OF A MEMBER OF THE AUDIT COMMITTEE

(the “Agreement”)

THE PARTIES

Colt CZ Group SE

ID no.: 291 51 961, nám. Republiky 2090/3a, Nové Město, 110 00 Prague 1, registered in the Commercial Register kept by the Municipal Court in Prague, file no. H 962

(the “Company”)

and

[FIRST NAME AND LAST NAME]

Date of birth:

Permanent address:

Bank details:

(the “Member of the Audit Committee”)

(The Company and the Member of the Audit Committee jointly as the “Parties” and each individually as a “Party”)

RECITALS

- (A) The Member of the Audit Committee was appointed to the office of member of the Audit Committee of the Company effective from [DATE OF ELECTION AS MEMBER OF THE AUDIT COMMITTEE].
- (B) By this Agreement, the Parties regulate their rights and obligations arising from the performance of the office of member of the Audit Committee of the Company.
- (C) In accordance with Section 59 of Act no. 90/2012 Sb. on business companies, as amended (the “Companies Act”), the relations between the Company and a member of its body are governed *mutatis mutandis* by the provisions of Act no. 89/2012 Sb., Civil Code, as amended (the “Civil Code”), concerning mandate, unless otherwise stipulated in the agreement on performance of the office or by law.

1. Performance of the office of member of the audit committee

- 1.1 The Member of the Audit Committee undertakes to duly fulfil [his/her] obligations as Member of the Audit Committee arising, or which will arise during the relevant period, for the Member of the Audit Committee from the generally binding legal regulations, in particular Act no. 93/2009 Sb. on auditors, as amended, the Civil Code, the Companies Act, the Articles of Association of the Company, and this Agreement.
- 1.2 On the terms and subject to the conditions set out in this Agreement, the Member of the Audit Committee (or jointly with other members of the Audit Committee of the Company) is in particular required to:

- (a) monitor the process of drawing up the financial statements and consolidated financial statements;
 - (b) assess the effectiveness of the Company's internal controls, internal audit and, where applicable, risk management systems;
 - (c) monitor the process of mandatory audit of the financial statements and consolidated financial statements;
 - (d) assess the independence of the statutory auditor and the audit firm, and in particular the provision of supplementary services to the audited organisation;
 - (e) recommend an auditor;
 - (f) submit the report on the work of the Company's Audit Committee to the General Meeting of the Company; and
 - (g) engage in other activities under applicable legal regulations.
- 1.3 The Member of the Audit Committee will perform [his/her] obligations with due diligence and care (i.e. attentively and with the required knowledge), using all of [his/her] knowledge, and will be required to inform the Supervisory Board, and the General Meeting in the cases set out in applicable legal regulations, of fulfilling [his/her] obligations.
- 1.4 The Member of the Audit Committee undertakes to perform the office personally, conscientiously, duly and according to [his/her] best knowledge and capabilities.

2. Non-competition clause

- 2.1 The Member of the Audit Committee undertakes for the duration of performing [his/her] office of a member of the Audit Committee of the Company to comply with the ban on competitive conduct to the same extent as is applicable to members of the Company's Supervisory Board pursuant to Section 451 of the Companies Act, and the conflict-of-interest rules pursuant to Section 54 et seq. of the Companies Act and pursuant to the Articles of Association of the Company.
- 2.2 At the time of signing this Agreement, the Member of the Audit Committee submitted a list of companies (Annex 1 to this Agreement) in which he participates and at the same time declared in writing that [his/her] participation in those companies does not have the characteristics subject to ban on competition under Section 451 of the Companies Act. The Company acknowledges this declaration and declares that it does not consider the declared participation in companies referred to in the first sentence of this clause as competitive activity under Section 451 of the Companies Act.
- 2.3 The Member of the Audit Committee agrees to inform the Company without delay if [he/she] starts to carry out an activity that may have the characteristics of prohibited competitive activity vis-à-vis the Company, even if it were to occur by a change of the way [he/she] participates in the companies listed in Annex 1 to this Agreement.

3. Confidentiality

- 3.1 The Member of the Audit Committee is required to maintain confidentiality of information designated as trade secret within the Company or by applicable Czech law, and other matters the disclosure of which to third parties could cause damage to the Company or otherwise have a negative impact on the assets of the Company, its business, good reputation, or its products and services, or could lead to unjust enrichment by another party, unless the obligation to disclose such information or matters applies to the Member of the Audit Committee under a legal regulation or enforceable decision of a government authority.

- 3.2 The confidentiality obligation under this Article 3 will continue even after termination of the performance of the office of Member of the Audit Committee. After termination of performance of the office, the Member of the Audit Committee is not entitled to disclose or use the information referred to in Article 3.1 above in any manner or to allow the disclosure or use of this information by third parties.

4. Remuneration and other benefits

- 4.1 The basic remuneration of the Member of the Audit Committee for performance of the office of member of the Audit Committee of the Company is [CZK 30,000 PER MONTH FOR A MEMBER OF THE AUDIT COMMITTEE, AND CZK 50,000 PER MONTH FOR THE CHAIRMAN OR VICE-CHAIRMAN OF THE AUDIT COMMITTEE]. The basic remuneration is payable in the calendar month following the month in which the Member of the Audit Committee became entitled to it, on the Company's regular pay day at the latest. The Member of the Audit Committee agrees that any payments by the Company to the Member of the Audit Committee be made by bank transfer to the bank account indicated by the Member of the Audit Committee.
- 4.2 Justified costs for travel and accommodation and other justified costs incurred by the Member of the Audit Committee during the performance of [his/her] office will be reimbursed to the Member of the Audit Committee in accordance with the internal regulations of the Company. For the purpose of reimbursing these costs, the place of performance of the office is understood to be the registered office of the Company.
- 4.3 The Company will also provide to with the Member of the Audit Committee the following insurance:
- (a) liability insurance for damage caused as a result of breach of obligations in the performance of the office of a Member of the Audit Committee (so-called D&O insurance);
 - (b) accident insurance for the risks of death as a result of an accident, permanent consequences of an accident, and permanent disability as a result of an accident;
 - (c) travel insurance obtained for short-term business trips abroad related to the performance of office.
- 4.4 If the Company provides insurance to the Member of the Audit Committee under Article 4.3 above, the basic remuneration of the Member of the Audit Committee will be increased by compensatory remuneration in an amount such that the basic remuneration paid to the Member of the Audit Committee after deduction of taxes and other mandatory payments is always paid in an amount in which it would be paid if the insurance under Article 4.3 above was not provided as non-pecuniary benefit to the Member of the Audit Committee.
- 4.5 Any other benefit or performance to which the Member of the Audit Committee is not entitled under law, this Agreement or the internal regulations of the Company approved by the General Meeting, may be granted to the Member of the Audit Committee only with the consent of the General Meeting.

5. Term

- 5.1 This Agreement was entered into for the duration of the performance of the office of the Member of the Audit Committee as a member of the Company's Audit Committee.
- 5.2 The period of performance of the office of the Member of Audit Committee as a member of the Company's Audit Committee will also end:
- (a) upon recalling the Member of the Audit Committee from [his/her] office as a member of the Company's Audit Committee by the General Meeting;

- (b) upon resignation of the Member of the Audit Committee from the office of a member of the Company's Audit Committee;
 - (c) on the day when a circumstance or a cause arises which applicable legal regulations associated with termination of the office of the Member of the Audit Committee.
- 5.3 If the duration of the performance of the office of the Member of the Audit Committee as a member of the Company's Audit Committee is terminated in accordance with Article 5.2 of this Agreement, the Member of the Audit Committee is entitled to a proportional part of [his/her] remuneration under Article 4.1 above which corresponds to the actual period of performance of [his/her] office.
- 5.4 In the event of termination of this Agreement for any reason, the Member of the Audit Committee is required to refrain from any acts on behalf of the Company and is required to duly hand over [his/her] office. In this context, the Member of the Audit Committee is required in particular to:
- (a) inform the Supervisory Board of all steps necessary in relation to terminating [his/her] obligations as a member of the Audit Committee of the Company;
 - (b) return without undue delay all documents relating to the Company (e.g. agreements, accounting documents, correspondence, invoices, powers of attorney, etc.);
 - (c) return to the Company all items that [he/she] has obtained from the Company (or from third parties for the benefit of the Company) in relation to performance of the office.

6. Final provisions

- 6.1 The template of this Agreement was approved by the General Meeting on [DATE OF APPROVAL BY THE GENERAL MEETING] and comes into force and effect on [DATE OF APPOINTMENT AS MEMBER OF THE AUDIT COMMITTEE].
- 6.2 The Member of the Audit Committee is not entitled to transfer any rights or obligations arising from this Agreement to a third party.
- 6.3 The Member of the Audit Committee is fully responsible for any damage, costs and expenses that the Company incurs as a result of an intentional breach of this Agreement.
- 6.4 If any of the provisions of this Agreement is invalid, unlawful or unenforceable, the other provisions will remain valid and enforceable. The Parties undertake to replace any such invalid, unlawful or unenforceable provision with a valid and enforceable provision that has a similar legal interpretation.
- 6.5 This Agreement is deemed as the entire agreement of the Parties concerning the rights conferred under and the obligations arising from this Agreement, and after coming into effect, it replaces any previous agreements or arrangements, whether verbal or written.
- 6.6 Any amendments, variations or supplements to this Agreement must be made in writing and signed by the Parties.
- 6.7 This Agreement is in accordance with the Company's Remuneration Policy.
- 6.8 This Agreement shall be governed by and interpreted in accordance with the laws of the Czech Republic.
- 6.9 This Agreement was drawn up in two (2) counterparts, each of which is a valid original. Each Party will receive one (1) original hereof.

The Parties hereby expressly declare that this Agreement is their free act and deed. In witness whereof, they attach their respective signatures below.

Colt CZ Group SE

Member of the Audit Committee

Place: Prague

Place: Prague

Date: _____

Date: _____
