

Contract for Performance of the Function of an Audit Committee Member

Concluded by and between

ČEZ, a. s.

and

Mr. Ján Dzvonič

Contract for Performance of the Function of an Audit Committee Member

ČEZ, a. s., a company with its registered office in Prague 4, Duhová 1444/2, entered in the Commercial Register administered by the Municipal Court in Prague, Section B, File 1581, acting through Martin Roman, Chairman of Board of Directors, and Daniel Beneš, Vice-Chairman of Board of Directors

/hereinafter the “**Company**”/

on one part

and

Ján Dzvonič, date of birth 19 January 1961, residing at Vstavačová 1284/12, 155 00 Prague 5,

who was elected on 1 June 2011 by the General Meeting of the Company as a member of the Audit Committee and accepted this office

/hereinafter the “**Audit Committee Member**”/

on the other part,

collectively referred to as the “contractual parties”

have agreed on the following conditions for the performance of the function of Audit Committee Member of the Company:

1. Subject of the Contract

- 1.1. The subject hereof is a detailed specification of the conditions for the performance of the function of an Audit Committee Member and the regulation of mutual rights and obligations between the contractual parties.
- 1.2. The rights and obligations related to the performance of the function of Audit Committee Member arise from the legal regulations, the Company's Articles of Association, the rules of procedure of the Audit Committee, the resolutions of the Audit Committee and from this Contract.

The Audit Committee Member shall be obliged to perform their function with due professional care.

- 1.3. This Contract is concluded for the term of performance of the function of the Audit Committee Member, which is regulated by the Company's Articles of Association.

2. Rewards, Reimbursements and Other Fulfilment

- 2.1. The Company undertakes to pay the Audit Committee member the remuneration for performance of the function according to Annex No. 1 hereto: “Rules for Remuneration and Provision of Other Fulfilment to Audit Committee Members”, with the exception of cases when the law does not permit the provision of such remuneration.

- 2.2. If the Audit Committee member takes business trips in connection to performing the function, they are entitled to the reimbursement of expenses according to Annex No. 1 hereto, under the conditions stipulated in the Rules of Procedure of the Audit Committee and in the respective management document of the Company.
- 2.3. The Audit Committee Member is entitled to the reimbursement of potential other expenses related to performance of the function. The value of reimbursement is governed by legal regulations, and the Company's internal management documents (if applicable).
- 2.4. The Company undertakes to provide the Audit Committee Member with the items necessary for performance of the Function (mobile telephone, PC or laptop, etc.). However, these items shall not be provided to the Audit Committee Member if they have already been provided in connection to the performance of a different function at the Company or in relation to an employment relation with the Company.

3. Non-Competition

- 3.1. The Audit Committee Member must not:
 - a) do business in a sphere which is the same or similar to the Company's business sphere or enter into business relationships with the Company,
 - b) mediate or procure transactions with the Company for other parties,
 - c) participate in the business activity of another company as an unlimited liability partner or as the controlling entity of another party with the same or similar subject of business activity,
 - d) carry out activities as the statutory body or member of the statutory or other body of another legal entity with the same or similar subject of business activity, unless it is a conglomerate.
- 3.2. The Audit Committee Member is aware of the fact that any violation of the prohibition of competition may be a reason for recalling from office.

4. Protection of Certain Facts

- 4.1. The Audit Committee Member undertakes, for the period of the performance of the function and for two years upon the termination thereof, not to unlawfully communicate or disclose to another party any facts, which are considered the subject of business secrets by the Company or which are of confidential character, the disclosure of which to third parties may cause damage to the Company. This restriction is also applicable to media for data recording and transfer, which contain such facts. The Audit Committee Member undertakes to handle information, which is classified according to the Act No. 412/2005 Coll., on the protection of classified information and on security eligibility, as amended and according to the implementary regulations thereof, in accordance with these legal regulations.
- 4.2. Any violation of the obligations specified in Paragraph 4.1 hereof may be a reason for recalling the Audit Committee Member from office. This does not affect the Company's entitlement to claim damages, should the Company reasonably deem that these damages were incurred in causal connection with the violation of this obligation by the Audit Committee Member.

5. Obligations of the Company

5.1. The Company undertakes to:

- a) pay the Audit Committee Member the remuneration and reimbursements and provide them with other fulfilment in the scope and under the conditions stipulated in Annex No. 1 hereto and in Article 2 hereof,
- b) provide the Audit Committee Member with the documents, data and other materials required for performance of the function upon request via the special departments;
- c) familiarize the Audit Committee Member with classified information according to Act No. 412/2005 Coll., as amended and according to the implementary regulations thereof, if required for the performance of the function, provided that the Audit Committee Member is a person authorized to handle classified information,
- d) familiarize the Audit Committee Member with facts constituting the subject of business secrets, if required for the performance of the function,
- e) familiarize the Audit Committee Member with safety regulations on an ongoing basis, if required for the performance of the function.

5.2. The Company shall deduct advances for income tax from dependent activity from the taxable income of the Audit Committee Member, and pay levies for mandatory insurance according to the valid legal regulations.

6. Miscellaneous Provisions

6.1. The Company undertakes to take out liability insurance at its own expense for damages caused by the Audit Committee Member to the Company or third parties while performing the function of the Audit Committee Member or in relation thereto, up to the maximal amount of insurance indemnification according to the conditions of the insurance contract concluded with a renowned insurance company designated by the Board of Directors.

6.2. Any violation of Articles 3.1, 4.1 and Article 7 hereof shall be deemed a major violation of the conditions hereof.

6.3. The conditions not regulated hereby are to be governed by the Commercial Code, the Company's Articles of Association, and the rules of procedure of the Audit Committee of ČEZ, a.s.

6.4. Should the Audit Committee Member at any time (even upon the termination of the function of a Audit Committee Member) gain the legitimate impression that their right to protection of personality, civic honour, professional reputation or human dignity was infringed on by use of the press, radio, television or other mass media in connection with the performance of the function of a Audit Committee Member or in connection with the termination of the function, or should criminal prosecution be instigated against the Audit Committee Member, they may ask the Company to reimburse them for the expenses incurred to ensure protection from such infringement, and to pay the costs of legal representation. In this case, the Company undertakes to reimburse the Audit Committee Member for the expenses related to ensuring protection from such infringement, including payment for the costs of legal representation, provided this is not contrary to legal regulations. Should the Audit Committee Member be lawfully

convicted of a criminal offence committed thereby, they shall reimburse the Company for the expenses incurred thereby to pay for their legal representation.

7. Termination of Performance of the Function

- 7.1. The performance of the function is to be terminated in accordance with the legal regulations and the Company's Articles of Association.
Upon termination of the function, the Audit Committee Member is obliged to undertake such measures, so that the Company does not incur any detriment.
- 7.2. Within thirty days upon the termination of the performance of the function, the Audit Committee Member is to return to the Company:
- All documents and papers provided thereto in direct connection with the performance of the function, all duplicates, extracts, copies of these documents and papers, unless they have already been discarded, as well as media for recording and transferring data owned by the Company ,
 - Other items, which are used or related to the performance of the function, including potential documentation pertaining to such items.

8. Final Provisions

- 8.1. This Contract comes into validity on the date of its signing and into effect on the date of approval by the Company's General Meeting.
- 8.2. This Contract may be amended or completed only by agreement of the contractual parties in the form of written amendments.
- 8.3. This Contract shall expire as of the date of the termination of the function, with the exception of the provisions under Article 4.1 and Article 7.
- 8.4. The parties conclude this Contract in good faith, voluntarily, solemnly and in full awareness of the text hereof, which they confirm with their signatures.

Prague dated 23 June 2011

Audit Committee Member:

On behalf of the Company:

signature
Ján Dzvonič

signature
Martin Roman
Chairman of Board of Directors

signature
Daniel Beneš
Vice- Chairman of Board of Directors

to the Contract for performance of the function of Audit Committee Member concluded on 23 June 2011

RULES FOR REMUNERATION AND PROVISION OF OTHER FULFILMENT TO AUDIT COMMITTEE MEMBERS

I. General Provisions

- 1.1.** These rules regulate the conditions for provision of remuneration and other reimbursements to members of the Audit Committee of ČEZ, a. s. (hereinafter the "Company").
- 1.2.** The Audit Committee member is not entitled to the remuneration according to Article II of these Rules if the law does not permit the provision of such remuneration.
- 1.3.** The term Audit Committee Member refers also to the chairman and deputy chairman thereof, unless these Rules explicitly stipulate otherwise.

II. Remuneration

- 2.1** Audit Committee members are entitled to remuneration in the amount of CZK 10,000 (in words: ten thousand Czech crowns) per month for the performance of their function; the deputy chairman of the Audit Committee is entitled to CZK 15,000 (in words: fifteen thousand Czech crowns) per month and the chairman of the Audit Committee is entitled to CZK 20,000 (in words: twenty thousand Czech crowns) per month.
- 2.2** Audit Committee Members are paid the remuneration after the passing of the calendar month, on the day stipulated for payment of wages to Company employees. The reference for payment of remuneration is a written document, signed by the chairman and deputy chairman for audit (by another member of the Audit Committee in the absence of one of them) and by the chairman or deputy chairman of the Board of Directors, submitted to the substantively relevant department of the Company.
- 2.3** If the contract for performance of the function of Audit Committee Member stipulates remuneration for a certain period (month, fiscal year) and the Audit Committee Member only performs the function for a part of this period, they are entitled to a proportional part of the said remuneration. If the function was terminated in the course of the given period by recalling, the body that recalled this member may decide otherwise.
- 2.4** In the event of temporary inability to perform the function due to illness or long-term absence, the Audit Committee shall be entitled to the remuneration for the given period if they submit a written opinion on the discussed points to the chairman of the Audit Committee at latest at the moment of discussion, unless the Audit Committee decides otherwise. The Audit Committee shall decide about granting remuneration in the case of temporary inability to perform the function. Long-term absence refers to non-participation and failure to submit a written opinion in at least two consecutive months.

III. Reimbursement of Travel Expenses

- 3.1. The Audit Committee Member may use his/her own automobile to perform the function. In this case, the reimbursement of travel expenses is provided to the Audit Committee Member in the amount according to Act No. 262/2006 Coll., Labour Code, as amended, and Act No. 586/1992 Coll., Income Tax Act, as amended.
- 3.2. In the event of taking business trips related to performance of the function, the Audit Committee member is entitled to board in the amount stipulated by the Labour Code, to the compensation of other expenses related to the business trip (especially accommodation expenses), to flights in business class and during foreign business trips also to allowance in the maximal amount stipulated by the Labour Code.

Prague dated 23 June 2011

Audit Committee Member:

On behalf of the Company:

signature
Ján Dzvonič

signature
Martin Roman
Chairman of Board of Directors

signature
Daniel Beneš
Vice- Chairman of Board of Directors