

General Delivery Conditions published by the company

LPP s.r.o., Pod Hájkem 406/1a, Libeň, 180 00, Prague 8, ID: 481 12 062, entered in the Commercial Register maintained by the Municipal Court in Prague, File No. C16309 (hereinafter, the "LPP") for a purchase contract and a contract for work.

1 Initial provisions

- 1.1 These General Delivery Conditions of the company LPP s.r.o., with registered office at Pod Hájkem 406/1a, Libeň, 180 00, Prague 9, ID: 481 12 062, entered in the Commercial Register maintained by the Municipal Court in Prague, File No. C16309 (hereinafter, the "Supplier") apply to all deliveries of goods by the Supplier and services provided by the Supplier (maintenance, adjustments) to its customers and in their updated version constitute an integral part and content of a purchase contract or a contract for work (the term goods furthermore includes equipment handed over to the Supplier to perform a service).
- 1.2 A customer, for the purposes of the general delivery conditions, means a customer – a natural or legal person, who will make a binding order or conclude a purchase contract or a contract for work with the seller (hereinafter, the "Contract").
- 1.3 Everyone who concludes a Contract with the Supplier which refers to general delivery conditions or sends the Supplier a binding order fully accepts the applicable General Delivery Conditions, unless agreed otherwise in writing.
- 1.4 Different arrangements in the Contract shall prevail over the wording of the General Delivery Conditions.
- 1.5 This excludes the use of business or delivery conditions of the customer, unless they are accepted in writing by the Supplier. These General Delivery Conditions are also applicable to Contracts concluded on the basis of a confirmed order.

2 Subject of the Contract

- 2.1 The subject of the Contract is Goods produced, repaired or delivered by the Supplier according to its technical conditions or procedures.
- 2.2 The Supplier reserves the right to change its products even after the conclusion of the Contract, especially on the basis of its technical innovations or new legislation.

3 The process of Contract negotiation

- 3.1 The process of Contract negotiation consists of these documents in the following time sequence, which may only be changed by the Supplier, not the customer:
 - a/ the customer's inquiry, b/ the Supplier's offer c/ the customer's order, and d/ the confirmation of the order by the Supplier.
- 3.2 The customer's inquiry can only be made electronically, by post or fax, or, if need be, by personal submission.
- 3.3 On the basis of the customer's inquiry made in one of the manners listed in Article 3 para 3.2 of these General Delivery Conditions, the Supplier shall send the customer an offer with a limited period of validity.
- 3.4 On the basis of the Supplier's offer pursuant to Art. 3 para 3.3 of these General Delivery Conditions, the customer shall execute an order. The Supplier rules out the execution of an order with any amendments or derogations on the basis of its offer. Should the order contain amendments or derogations, such an order will not be accepted unless confirmed in writing by the Supplier (if the Supplier makes an adjusted offer on the basis of such an offer, it is noted that the order is not accepted). An order from the customer can be made by sending the order to the Supplier electronically, sending a draft of the written Contract, or by personal handover.
- 3.5 Each order must contain especially the following parts: a/ the specification of the subject of the purchase or the service, unit and total price of the Goods/service; b/ the required quantity; c/ the deadlines and conditions of the deliveries.
- 3.6 In the event that the customer's offer is in accordance with the Supplier's offer within the time of its duration, the Contract is concluded by the delivery of the Supplier's written confirmation of the acceptance of the customer's order electronically, by post or by fax within the period of fifteen (15) calendar days from the day of the delivery of the order, unless the Supplier notifies the customer otherwise; or by a bilateral signature of the written Contract concluded between the Supplier and the customer.

- 3.7 By concluding the Contract, all conditions agreed between the Supplier and the customer before its signature shall become invalid, with the exception of these General Delivery Conditions. All changes and additions to the Contract must be made in writing on the basis of a bilateral agreement in the form of amendments to a particular Contract. Oral agreements for the purpose of changing or supplementing the Contract are invalid. The contracting parties are obliged to inform each other without undue delay about all facts that can have an impact on or consequences for the performance of the Contract. The contracting parties have agreed that if the content of the Contract is negotiated, this negotiation shall not be subject to the provision of Sec. 1726 of the Act No. 89/2012 Coll., Civil Code, as amended. In concluding the Contract, no consideration shall also be given to the provision of Sec. 1744 of the Act No. 89/2012 Coll., as amended.

4. The price and payment conditions

- 4.1 The customer is obliged to pay the price stipulated in the Contract or on the basis of the Contract; if there is no such Contract, then a price according to the Supplier's price list. The negotiated price does not contain the value-added tax. Should the need for additional works be established during the maintenance with regard to the real condition of the Goods or documents, the Supplier shall interrupt performing the maintenance and shall notify the customer of this fact, including the statement of the additional costs and the new delivery date. If the customer does not agree with the new proposal, it shall pay the Supplier the effectively expended costs (esp. the costs of re-testing and disassembly) and the Supplier shall return the Goods the customer.
- 4.2 The customer is obliged to pay the price by a bank transfer to the Supplier's account stated on the invoice or to another account stated in the Contract no later than within 14 days from the notification of the customer about the readiness of the Goods for acceptance, unless another due date is stated in the Contract. The customer can also pay the price in cash by lodging it at the cash register upon the acceptance of the Goods or after the performance of the work.
- 4.3 Unless agreed otherwise, the Supplier shall be entitled to charge packaging and shipping fees in addition to the price of the Goods and the VAT. The customer undertakes to dispose at its own costs of the waste from the packaging supplied together with the product in accordance with the Act No. 185/2001 Coll.
- 4.4 The customer shall have fulfilled its obligation to pay the price for the accepted Goods or the performed work or another pecuniary sum on the day when the invoiced amount has been credited to the Supplier's account. If the customer finds itself in delay with the payment of the price (or another amount), it shall be obliged to further pay interest on late payment in the amount of 0.1% of the amount owed for each day of the delay, unless stipulated otherwise in the negotiated Contract. This provision shall not affect in any way the right of the contractual parties to claim compensation for the damage incurred.
- 4.5 The Supplier shall be entitled to demand the conclusion of a new Contract if a particularly gross disproportion arises by disadvantaging the customer or if there is a disproportional increase in the costs of performing the Contract, etc.; the provision of Sec. 1765 of the Act No. 89/2012, Coll., Civil Code as amended is not taken into account.

5 Delivery

- 5.1 The Supplier is obliged to deliver the Goods or perform the work properly and on time, in the amount, quality and design laid down in the Contract, in an agreed period and place (unless stated otherwise, the customer shall only be handed over the Goods after paying the price). If the quality or the design are not laid down by the Contract, the Supplier shall deliver the Goods in the usual design and quality. Together with the Goods, the Supplier shall present the customer with documents for the Goods/work, enabling the customer to use the Goods/work for the determined purpose in accordance with relevant legislation (in the case of maintenance performance, the customer must hand over documents to the Goods).
- 5.2 Unless stated otherwise in the Contract, the delivery of the purchased Goods and the handover of the Goods after maintenance are subject to the delivery condition as per INCOTERMS 2020, FCA clause Praha, Libeň, Pod Hájkem

406/1a (submission for repair is subject to DPU Prague, Libeň, Pod Hájkem 406/1a).

- 5.3 The Supplier shall package the Goods and prepare them for transportation in a manner determined by the Contract or otherwise in a manner usual for the transportation of Goods of its kind and with regard to the relevant standard and purpose of the use of the Goods.
- 5.4 Unless the Contract determines otherwise, the place of delivery/performance of the work is the registered office of the Supplier.
- 5.5 The customer shall acquire the legal title to the Goods at the time of the full payment of the price by its crediting to the Supplier's account. In the case of the performance of maintenance, the customer shall remain the owner of the Goods.
- 5.6 The risk of damage to the Goods in the case of their purchase shall be transferred to the customer at the time of the acceptance of the Goods from the Supplier, or, if the customer fails to do so, at the time when the Supplier enables the customer to handle the Goods and the customer breaches the Contract by not accepting the Goods. In the case of maintenance, the risk of damage to the Goods shall be borne by the Supplier from the time of the acceptance of the Goods for maintenance to the time of its handover after the maintenance performed or the time when the customer was obliged to accept the Goods. If the Supplier is obliged, under the negotiated Contract, to hand over the Goods to a carrier at a certain place for the transportation of the Goods to the customer, the risk of damage to the Goods shall be transferred to the customer by the handover of the Goods at this place. If the Contract includes the Supplier's duty to dispatch the Goods, but the Supplier is not obliged to hand over the Goods to the carrier at a certain place, the risk of damage to the Goods is transferred to the customer at the moment of the handover of the Goods to the first carrier for transportation to the designated place. The damage to the Goods incurred after the risk of damage to the thing has been transferred to the customer shall have no effect on the customer's obligation to pay the price.
- 5.7 The delivery time is stipulated in the Contract. The Supplier shall be entitled to deliver the Goods before the delivery time only upon prior consent of the customer.
- 5.8 If the place of delivery is the registered office of the Supplier, the customer shall be obliged to submit the Goods for maintenance and accept the Goods on business days and in the working hours of the Supplier, i.e. from 8am to 3pm. The handover of the Goods outside the designated time is only possible upon prior agreement with the Supplier.
- 5.9 If the customer fails to collect the Goods in time, the Supplier can demand from the customer the reimbursement of all the costs incurred by storing the Goods in question until the day of their acceptance by the customer, as well as of the costs incurred by handling the Goods in question, unless the parties agree otherwise.

6. Liability for defects and warranty

- 6.1 A warranty is provided for each of the Supplier's products. The Goods must be used in a usual manner in accordance with the Supplier's instructions and documentation. Throughout the warranty period, the Goods shall be free of any defects if used in the designated manner. The warranty is provided under the following conditions:

The warranty period shall be 12 months from the day of the delivery of the Goods or 100 operating hours, depending on which occurs earlier, unless stated otherwise. This scope of warranty applies to new Goods and the Goods after the performance of the highest level of maintenance – general repair. The warranty for the performance of a lower level of maintenance must be agreed in the Contract, if provided. In the case of a defect of the Goods for which the Supplier is liable, the customer shall be entitled to demand the repair or replacement of the Goods from the Supplier, depending on which of the ways of dealing with the complaint is more appropriate in the given case. In choosing the way of dealing with complaint, the customer shall be obliged to respect the Supplier's opinion. In the case of a justified complaint, the Supplier shall be obliged to remove the defects within the period of 60 days from the day of acknowledging the

complaint, but no later than within 120 days from the acceptance of a due complaint.

Manifest defects in quantities handed over on person must be pointed out by the customer upon the acceptance; in shipped products, no later than within 1 week from the delivery. Later complaints in such defects shall not be taken into account.

By performing a repair or delivering a new product or its part, the original warranty shall not be extended.

If the complaint is found unjustified and if it is established that the defect under complaint was caused by a breach of a duty of the customer, operator another person, the customer shall reimburse the Supplier for the costs expended on finding the causes of such a defect.

During the complaint procedure, the customer shall be obliged to a) provide information about the date of the assembly (mounting) of the Goods, b) provide information about the date of the malfunction, number of operating ours and aircraft on which they were used, c) provide information about the type of malfunction, d) hand over the Goods under complaint or their part to the Supplier if necessary or if requested by the Supplier before the lapse of the warranty period, e) hand over the Goods or their part without broken seals and without adjustments or changes.

The price of the transportation, disassembly and installation shall not be included in the performance from the warranty and shall be covered by the customer. The Goods and products under complaint must be handed over to the Supplier at its registered office on person or shipped in such a way that they are protected from damage. The warranty shall not cover Goods or their parts which were not installed in accordance with the instructions or which were subjected to incorrect treatment, unauthorized use, pollution, negligence or accident, or which contain broken seals or other protective marks serving to prevent unqualified handling.

- 6.2 The customer agrees that the liability for damage incurred by any defects of the Goods, except injury caused to a person's natural rights or caused intentionally or due to gross negligence, is limited by the price of the defective Goods. The Supplier shall not be entirely liable for the subsequent damage and for damage caused by the Goods or equipment of which the Goods were a part not being used in accordance with the relevant documentation.

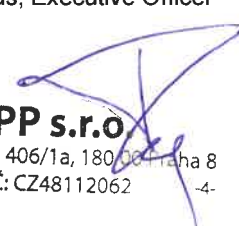
7. Other provisions and final provisions

- 7.1 If the customer's delay in paying the price or another receivable on the basis of another contractual relationship continues for a period longer than 21 days and the Supplier is in possession of the customer's things handed over by the customer or a third party on the basis of another contractual relationship, the Supplier shall acquire a lien to such things. If, after the aforementioned period of delay, the customer pays the Supplier for performances provided under a different legal relationship, the Supplier shall be entitled to use the amount paid to cover other receivables due at its own discretion (set off unilaterally). Equally, if the customer indeed pays the amount from another legal relationship to the Supplier before the lapse of the aforementioned period of delay, but the delay still continues and the Supplier is obliged to perform under this other legal relationship only after the lapse of the aforementioned period of delay, the Supplier shall be entitled to suspend the provision of any performance and to use the amount paid to cover other due receivables from the customer at its own discretion.
- 7.2 The contracting parties undertake to maintain confidentiality in relation to third parties regarding all facts that become their knowledge in relation to performing the Contract pursuant to these General Delivery Conditions.
- 7.3 The Supplier shall be entitled to withdraw from the negotiated Contract provided that the customer is in delay with paying the price for the Goods or other negotiated amounts, including partially, and also in cases related to such obligations arising from any previous contacts concluded between the parties if such a delay lasts longer than 30 days.
- 7.4 The customer shall not be entitled to transfer its obligations and receivables from the Contract nor assign the Contract in full or in part to a third party without prior written consent of the Supplier; otherwise such conduct is invalid. The Customer

- from any previous contacts concluded between the parties if such a delay lasts longer than 30 days.
- 7.4 The customer shall not be entitled to assign its obligations and receivables from the Contract nor assign the Contract in full or in part to a third party without prior written consent of the Supplier; otherwise such conduct is invalid. The Customer shall not be entitled to unilaterally set off its receivables from the Contract against the receivables of the Supplier.
- 7.5 The legal relations resulting from the Contracts and these General Delivery Conditions shall be governed by the legislation of the Czech Republic, especially the Civil Code. If any of the provisions of the Contract becomes invalid or ineffective, it shall be without prejudice to the validity or effectiveness of the remaining provisions of the Contract. Invalid or ineffective provisions shall in such a case be replaced by the contracting parties with such valid and applicable provisions that follow the same purpose and have the same economic effect. All disputes arising from the Contract and in relation to it which fail to be eliminated by negotiation between the parties shall be decided with final effect by the Arbitration Court attached to the Economic Chamber of the Czech Republic and the Agrarian Chamber of the Czech Republic according to its procedural rules by three arbitrators. The place of the arbitration proceeding shall be Prague and the language of the case shall be Czech.
- 7.6 The business usages and business practices between the contracting parties on the basis of the provisions of Sec. 558 of the Act No. 89/2012 shall not be taken into account. No consideration shall also be given to the provisions of Sec. 1744 of the Act No. 89/2012 Coll., Civil Code, as amended.
- 7.7 Pursuant to the provisions of Sec. 1730 of the Act No. 89/2012 Coll., Civil Code as amended, all of the data contained in the Contract are considered confidential and must not be misused or disclosed under a pecuniary sanction.
- 7.8 Should any of the provisions of the general delivery conditions be in conflict with legislation, this shall be without any prejudice to other provisions of these general delivery conditions.
- 7.9 The Supplier is entitled to change these General Delivery Conditions in an appropriate scope. The change of the General Delivery Conditions shall be effective from its publication on the of the Supplier's website, unless stipulated otherwise therein.
- 7.10 These general delivery conditions shall be publicly accessible on the website www.lp-praha.cz and they shall become effective on the day of their publication.

In Prague on 25th of August 2020

LPP s.r.o.
Jan Thomas, Executive Officer


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