

General Terms and Conditions of Purchase of LPP s.r.o.

(hereinafter referred to as the "Terms and Conditions")

with their registered	LPP s.r.o.
IN:	Pod Hájkem 406/1a, Libeň, 180 00 Prague 8
TIN:	48112062
registered with:	TIN: CZ48112062
	registered with the Municipal Court in Prague, file reference C 16309

acting through:	Ing. Miroslav Žižka, Executive Officer,
	Ing. Zdeňka Hanzlíková, Executive Officer

(hereinafter referred to as the "Customer" or "LPP")

1. Validity of the Terms and Conditions

- 1.1 These Terms and Conditions have been drawn up in accordance with Act No. 89/2012 Coll., the Civil Code, as amended, and other Czech laws, and they are binding in relation to the contractual obligations formed under orders or contracts between LPP (hereinafter also referred to as the "Customer") as the buyer or recipient of goods or services (hereinafter also referred to as the "Goods") and the other contracting party that supplies the Goods or services to LPP (hereinafter also referred to as the "Supplier").
- 1.2 All contractual obligations of the Customer shall be governed by these Terms and Conditions unless the application of these Terms and Conditions or part thereof is excluded, modified or supplemented by any special terms and conditions of purchase. The Terms and Conditions form an integral part of all contractual obligations entered into between LPP as the Customer and a Supplier.
- 1.3 A contractual relationship between the Customer and a Supplier may be formed either under a written contract or an order placed by the Customer and accepted by the Supplier, or under an offer issued by the Supplier and accepted by the Customer (hereinafter referred to as the "Contract" or "Purchase Contract"). A response to an offer or order that appears to be an acceptance of the offer or order but contains any additions, reservations, or other changes shall always be regarded as a new offer or order and require full acceptance by the other party. The Customer hereby excludes in advance acceptance of an offer or order with an addition or deviation.
- 1.4 If any provision of these General Terms and Conditions of Purchase is or becomes void or non-enforceable, the void or non-enforceable provision shall be replaced by a provision that comes as close in meaning as possible to the void or non-enforceable provision. Any one provision becoming void or non-enforceable shall be without prejudice to the validity or enforceability of the remaining provisions.
- 1.5 If a Purchase Contract and the Terms and Conditions contain provisions that regulate the same issue in divergent ways, the provisions of the Purchase Contract shall take precedence over the provisions of the Terms and Conditions.
- 1.6 The Supplier is responsible for ensuring that the Goods are not encumbered by any third-party rights that would in any way restrict or prevent their acquisition or use by the Customer.
- 1.7 This version of the Terms and Conditions applies and comes into force on 1 December 2025, superseding the previous version of the Terms and Conditions, including all its parts.

- 1.8 The Customer may make revisions of these Terms and Conditions. The Customer shall notify the Supplier of any changes to the Terms and Conditions and send the amended version of the Terms and Conditions to the Supplier while at the same time publishing it electronically at www.lp-praha.cz I
- 1.9 The Terms and Conditions are available at the Customer's registered office (Pod Hájkem 406/1a, Libeň, 180 00 Prague 8) or electronically at www.lp-praha.cz.

2. Quantity, quality, design, and packaging of the Goods

- 2.1 The Supplier is required to deliver the Goods to the Customer in the quantity specified in the Purchase Contract. If the Supplier delivers to the Customer a quantity of Goods larger than specified in the Purchase Contract, no Purchase Contract shall not be deemed to have been formed with respect to the extra Goods, even if the Customer fails to refuse the extra Goods without undue delay after delivery of the Goods to them.
In the event of a discrepancy between the Supplier's and the Customer's records of the quantity units, the Supplier shall deliver the quantity based on the Customer's request.
- 2.2 The Supplier is required to deliver to the Customer new and unused Goods at the quality standard and with the design expressly specified in the Purchase Contract. Where the Purchase Contract does not expressly or at least in part specify the quality or design of the Goods, the Supplier is obliged to deliver the Goods to the Customer at such a quality standard and with such a design that the Goods are suited to the purpose for which the Goods are to be used by the Customer. If the Supplier does not have sufficient information about the purpose for which the Goods are to be used by the Customer, they are required to request the necessary information from the Customer in a timely manner. The Goods shall be manufactured to the highest possible quality standard and in accordance with the original technical documents, meeting the requirements of applicable law, technical standards, generally accepted rules, and the state of the art.
- 2.3 Each delivery must be accompanied by a delivery note or invoice identical to the delivery note, stating the contract number or the Customer's order number, the Customer's Goods number, information about the Customer, the quantity and the exact description of the Goods.
- 2.4 Where the Goods are to be transported, the Supplier is required to pack the Goods or otherwise prepare them in a manner expressly specified in the Purchase Contract.
If the method of packaging or other preparation of the Goods for transport is not expressly specified in the Purchase Agreement, the Supplier is obliged to pack the Goods for transport or otherwise prepare them as is necessary to preserve and protect the Goods and as is customary for such Goods in commercial transactions. Where 'the Goods are picked up by the Customer, the Supplier is required to prepare the Goods for collection in accordance with the above.
- 2.5 If the Goods are not packaged or otherwise conditioned in the manner specified in these Terms and Conditions, the very fact shall be regarded as a defect for which the Customer is entitled to refuse to accept the Goods or which the Customer is entitled to claim as a defect if they choose to accept the goods and to exercise their defect liability claims to the full extent stipulated by law for defects in Goods.
- 2.6 Together with the Goods, the Supplier is required to transmit to the Customer the relevant documents as well as any other paperwork that is expressly specified in the Purchase Contract or that is usually transmitted with the Goods in question or is necessary for the proper use of the Goods. The Supplier is required to provide the Customer with a Declaration of Conformity in accordance with Act No. 90/2016 Coll. upon request. The Goods must comply with the requirements of Act No. 90/2016 Coll. The Supplier is required to transmit to the Customer, together with the Goods, all documents that the Supplier is obliged to prepare under Act No. 22/1997 Coll., laying down technical requirements for products, and under the laws implementing the Act. If the Supplier fails to deliver the documents and paperwork to the Customer, the Goods shall not be considered to have been duly delivered and the Supplier shall be in default with the delivery of the Goods.

- 2.7 For the purposes of this article of the Terms and Conditions, the Purchase Contract also denotes any drawings and other technical documentation referred to in or attached to the Purchase Contract.
- 2.8 Critical for determining the number of units, dimensions, weight, and quality of the Goods delivered are the values ascertained by the Customer during the initial inspection of the Goods unless the Supplier proves otherwise.
- 2.9 If an incomplete delivery or a delivery that is obviously damaged or shows damaged packaging is accepted, a report on the flaws identified shall be drawn up with the carrier (delivery operator) and signed by both parties. If this is not the case, the Customer may to refuse to accept the Goods.
- 2.10 The Customer's signature in the delivery note or other receipt confirming receipt of Goods that have not been delivered in accordance with the terms agreed in the order does not imply the Customer's consent to a change in the terms of the Contract, unless the change in performance under the order concerned was agreed in advance in writing between the Supplier and the Customer.
- 2.11 The Supplier may not withhold delivery of the Goods due to any delay on the part of the Customer under another contractual relationship between the Customer and the Supplier.
- 2.12 Any change to the Goods must be approved in advance by both contracting parties.

3. Place of performance

- 3.1 The place where the Supplier is required to deliver the Goods to the Customer is specified in the Purchase Contract.
- 3.2 If the place of delivery of the Goods is not expressly specified in the Purchase Contract, the place of delivery shall be the Customer's premises (Dělnická 475, 530 03 Pardubice). In such a case, the Supplier shall fulfil their duty to deliver the Goods to the Customer by transporting the Goods to the Customer's headquarters and transmitting them to the Customer there at the date of the supply specified in the Purchase Contract or these Terms and Conditions.
- 3.3 The Supplier's duty to deliver the Goods to the Customer shall be deemed to have been fulfilled on the date of delivery of the Goods. Unless otherwise agreed, the title in the Goods shall pass to the Customer upon delivery.

4. Performance date

- 4.1 The performance date is the date on which the Goods are to be delivered between the contracting parties.
- 4.2 The performance date is specified in the Purchase Contract.
- 4.3 If the performance date is not expressly specified in the Purchase Contract, the Supplier is required to deliver the Goods to the Customer within a reasonable time limit, taking into account the nature of the Goods and the place of delivery, and in any event within 30 days, unless otherwise mutually agreed between the parties.
- 4.4 The Supplier is required to comply with the delivery times and performance dates specified in the order. The Customer shall take delivery of the Goods between 7 a.m. and 3 p.m. on working days, unless otherwise agreed.
- 4.5 The Customer is entitled to refuse Goods delivered by the Supplier before the specified delivery date. Early performance is only possible with the Customer's consent; however, all legal consequences shall be governed by the agreed date (payment date, warranty, transfer of risk, storage, etc.).
- 4.6 Even if the Customer accepts a delayed delivery from the Supplier, the Customer shall retain all claims under the Supplier's delay, including the claim to full compensation for any damage and lost profits.
- 4.7 If the Supplier is late discharging their duty to deliver the Goods or part thereof to the Customer, the Customer shall be entitled to claim a contractual penalty from the Supplier equivalent to 0.3% of the purchase price of the Goods specified in the Purchase Contract for each day of delay in the delivery of the Goods. This contractual penalty arrangement shall not affect the Customer's right to compensation of any damage incurred by the Customer as a result of the Supplier's breach of their duty to deliver the Goods to the Customer on the date specified in the Purchase Contract.

- 4.8 If the Customer raises a claim against the Supplier for payment of a contractual penalty, the Supplier shall be obliged to pay it even after delivery of the Goods. Invoices charging contractual penalties shall be due 30 days after their delivery to the Supplier.
- 4.9 If the Customer is late with the payment of the Purchase Price, the Supplier shall be entitled to demand that the Customer pay default interest, whose amount shall be determined in accordance with Government Regulation No. 351/2013 Coll., determining the amounts of default interest and costs associated with the enforcement of claims.
- 4.10 The Customer may unilaterally set off their claims to a contractual penalty or damages against the Supplier under a Purchase Contract, including these Terms and Conditions.
- 4.11 The Supplier is required to inform the Customer in advance in writing of all circumstances that could affect the proper and timely discharge of the Supplier's duties under a Purchase Contract concluded with the Customer and of the consequences associated therewith, including, where relevant, that they will not be able to procure the ordered Goods.
The Supplier is required to provide such information to the Customer without delay the moment they become aware of such circumstances. The Customer may monitor, on an ongoing basis, the performance of a concluded Purchase Contract, and the Supplier is required to prove to the Customer, upon request, that they are able to comply with the contractual arrangements.
- 4.12 If the Customer notifies the Supplier in writing no later than 10 days before the date of performance of a Purchase Contract that they are postponing the date of performance, they may unilaterally postpone the agreed date of performance by a maximum of 90 days without the Supplier being entitled to charge any costs incurred by them as a result of such postponement.

5. Purchase price

- 5.1 The purchase price is specified under the Purchase Contract.
Unless expressly stated otherwise under a Purchase Contract, the purchase price specified in the contract does not include value added tax and includes the price of any packaging or transportation of the Goods and other similar costs incurred in connection with the delivery of the Goods to the Customer.
- 5.2 The specified price is always fixed and not subject to revisions. The parties agree that the price is always set as the highest possible price that must not be exceeded and it includes all costs related to the delivery of the Goods or the provision of any authorisations in accordance with the agreed delivery terms, in particular the costs of transport, unloading, insurance, equipment, quality documentation, usual packaging, taxes (including VAT), customs duties, other fees for all costs related to the delivery of the Goods or the provision of Services, including all additional work and services, unless otherwise specified in the agreed INCOTERMS® clause or unless the parties agree on different delivery terms on a case-by-case basis. The Supplier shall obtain, at their own expense, all official permits (including payment of customs duties and fees) necessary for the delivery of the Goods under the Purchase Contract, including in a foreign country if the Goods are to be imported. Where the regular use of the Goods requires the grant of intellectual property rights, the price shall also include all fees for the grant of such rights.

6. Payment term for the purchase price

- 6.1 The payment term for the purchase price shall be specified in the Purchase Contract.
- 6.2 Where the Contract does not expressly specify the payment term for the purchase price, the Supplier may issue an invoice — a fiscal receipt charging the purchase price with the payment term as specified in the Purchase Contract at the time the Supplier delivers the Goods specified in the Purchase Contract to the Customer and the Customer accepts them, free of any defects and including all documents and other papers that the Supplier is required to deliver to the Customer. Where the Purchase Contract does not specify the payment term of an invoice — fiscal receipt, it shall be as follows:

60 days from the delivery of the invoice — fiscal receipt by the Supplier to the Customer. The Customer is required to pay the purchase price within the payment term of the invoice — fiscal receipt issued in this manner. However, if an invoice — fiscal receipt does not contain any of the essentials specified for fiscal receipts by the relevant law or a contractual agreement between the Customer and the Supplier, the Customer is entitled to return the invoice — fiscal receipt to the Supplier with a request to issue a proper fiscal receipt. In such a case, the Customer is required to pay the purchase price to the Supplier only within the payment term specified in the Purchase Contract and counted from the delivery of a proper fiscal receipt by the Supplier to the Customer.

- 6.3 The Supplier may deliver invoices to the Customer either in paper form and signed, or in the form of scanned documents signed and sent by email to the email address ([<invoices@lp-praha.cz>](mailto:invoices@lp-praha.cz)).
- 6.4 The purchase price shall be paid by wire transfer to the Supplier's account specified on the invoice.
- 6.5 For wire transfers, the date of payment of the purchase price is the date on which the bank debits the purchase price to the Customer's current account and credits it to the Supplier's current account.
- 6.6 The Supplier may not assign to a third party any of their claims under a Purchase Contract from the Customer to a third party without the Customer's written consent (including the claim for payment of the purchase price).
- 6.7 If a defect occurs in the Goods and the Customer notifies the Supplier thereof, the payment term for the purchase price for the Goods thus delivered shall be extended by the number of days that elapse from the defect notification by the Customer to the Supplier until the Supplier fulfils their defect liability duty.

7. Defects in the Goods, warranty

- 7.1 The Supplier provides the Customer with a warranty on the Goods delivered under a Purchase Contract. The Goods must not be encumbered with any third-party rights.
- 7.2 By the warranty, the Supplier undertakes to ensure, vis-a-vis the Customer, that the Goods delivered under a Purchase Contract are fit for the purpose for which the Goods are to be used by the Customer during the warranty period and that they will retain the properties specified in the Purchase Contract. If the Purchase Contract does not specify certain properties of the Goods, the Supplier undertakes to the Customer by way of warranty that the Goods delivered under the Purchase Contract retain the properties necessary for the purpose for which the Goods are to be used by the Customer during the warranty period.
If the Supplier does not have sufficient information about the purpose for which the Goods are to be used by the Customer, they are required to request the necessary information from the Customer in a timely manner. For the purposes of this article, Purchase Contract also denotes any drawings and other technical documentation referred to in or attached to the Purchase Contract.
- 7.3 Defect liability shall be governed by the provisions of the Civil Code.
- 7.4 The Supplier acknowledges that defects in the Goods may only be detected during use or after delivery to the Customer's client, in which case these are hidden defects covered by the same warranties as other defects under Article 7 of these Terms and Conditions.
- 7.5 If a defect manifests itself during the warranty period, it is assumed that the Goods were defective at the time of acceptance.
- 7.6 The Supplier undertakes to always provide the Customer with a warranty period of 36 months from the acceptance of the Goods, unless otherwise agreed under the Purchase Contract concerned.
- 7.7 The Supplier is required to provide after-sales servicing and supplies of spare parts or their generational successors during at least 10 years after the end of delivery of the Goods. The Supplier is required to inform the Customer in writing of any planned termination of availability and related deliveries of spare parts or their generational successors, at all times at least 3 months before the planned termination of availability (so-called "End-of-Life").

- 7.8 In the event of detected defects, the Customer shall be exclusively authorised to choose the defect liability claim in accordance with the provisions of Sections 2106 and 2107 of the Civil Code. The Supplier may not choose a defect liability claim without the written consent of the Customer.
- 7.9 If the Supplier fails to remove defects in the Goods within the specified time limit, or if it is apparent that the Supplier will be late removing such defects, the Customer may remove these defects themselves or through third parties at the Supplier's full expense.
- 7.10 In the case of purchasing parts intended for final aerospace, space, and defense industry products, the Supplier agrees to establish, maintain, and demonstrably apply an effective quality management system to prevent, detect, and mitigate risks associated with counterfeit, non-original, or unapproved materials and components. This system must meet the requirements of current standards in this field (e.g., requirements specified by Czech Defence Standards or NATO standards).
- 7.11 The Supplier must purchase materials only from original equipment/component manufacturers (OEM/OCM) or their authorized distributors. Purchasing from unauthorized dealers or resellers is prohibited without the Buyer's prior written consent. The Supplier must ensure and document full traceability to the original manufacturer for all deliveries.
- 7.12 If counterfeit or non-original material is discovered or suspected, the Supplier must immediately (no later than within 48 hours) inform the Buyer in writing. The Supplier must also immediately isolate the affected material and stop its further distribution. Such material must not be used without the Buyer's consent.
- 7.13 The Supplier is fully responsible for all damages and costs (including testing, replacement, and penalties) caused by the delivery of non-original material. The Supplier must also transfer these requirements in full to its subcontractors via contract.
- 7.14 The Supplier is obliged, upon request, to allow the Buyer, its customers, and relevant supervisory or regulatory authorities access to its facilities to perform audits, inspections, and Government Quality Assurance (GQA). The Supplier further undertakes to contractually ensure that such access is also granted under the same conditions within the premises of its subcontractors. The subject matter of these audits and verifications is strictly limited to the verification of the quality management system, counterfeit prevention processes, and related technical documentation. The Supplier undertakes to provide the necessary cooperation for this purpose and to ensure such cooperation is also provided by its subcontractors.
- 7.15 If, during the audit conducted in accordance with the previous provision of the Terms and Conditions, any non-conformities are identified, the Supplier shall, in agreement with the Customer, draw up and put in place a corrective action plan to eliminate such non-conformities or withdraw from the Purchase Contract.
- 7.16 The Supplier shall be liable for any damage claimed by a third party against the Customer on account of defects in the Goods delivered by the Supplier to the Customer.
- 7.17 The Supplier's subcontractors involved in any way in the delivery of the Goods shall be subject to the same quality management rules as the Supplier, which the Supplier is required to ensure.
- 7.18 In the event of a defect or defects of the same nature occurring in at least 5% of the Goods delivered by the Supplier under a Purchase Contract, the Customer shall be entitled, on top of any other defect liability claims, to an extension of the warranty period in respect of all such Goods to 48 months by unilateral delivery of a written notice, and
- a) to request that the Supplier replace all such Goods with Goods that are defect free, or
 - b) to request that the Supplier repair all such Goods in accordance with the procedure proposed by the Supplier and approved by the Customer, or
 - c) to withdraw from the Purchase Contracts for the delivery of the Goods in question (including those that have not yet been delivered).
- 7.19 The Supplier expressly declares that they assume the risk of a change in circumstances within the meaning of Section 1765 of the Civil Code.
- 7.20 If the Supplier is late fulfilling a certain defect liability duty (a duty to remove a defect in the Goods by delivering new or missing Goods, remove legal defects in the Goods, remove a defect in the Goods by repairing the Goods, or grant a reasonable discount on the purchase price), the Customer shall be entitled to a contractual penalty equivalent to 0.3% of the purchase price of the Goods in question for each day of delay in fulfilling the defect liability duty.
- This contractual penalty arrangement shall be without prejudice to the Customer's right to compensation for any damage incurred by the Customer as a result of the Supplier's breach of their specific defect liability duty under the Purchase Contract in a timely manner.

8. Intellectual property and intellectual property rights

- 8.1 The Supplier is responsible for ensuring that the Goods, either as a whole or their individual components and

models, trademarks, business names, know-how, copyrights, or other forms of industrial or intellectual property, unless otherwise agreed in the Purchase Agreement. However, regardless of the above, the Supplier grants the Customer the right to exercise the intellectual property rights as necessary to ensure the normal use and handling of the Goods. The fee for the grant is included in the Price.

- 8.3 If the Goods are manufactured according to the Customer's technical documentation, which the Customer has provided to the Supplier to this end or otherwise made available to the Supplier, the Supplier may not manufacture and deliver the Goods to any third party using such technical documentation.
- 8.4 The Supplier may not apply for intellectual property protection for any technical solution contained in the Customer's technical documentation as referred to in the previous paragraph, or allow a third party to apply for intellectual property protection for such a solution.

9. Liability insurance

- 9.1 The Supplier is required to maintain in force a proper insurance policy covering liability for damage and product liability for the entire duration of the contractual relationship with the Customer, with the extent of the policy as deemed appropriate by the Customer on a case-by-case basis. The Supplier must maintain the insurance in force until all claims and rights under the concluded Purchase Contract have been settled, including any quality warranty claims.

10. Know-how, trade secrets, subcontractors

- 10.1 The Customer and the Supplier are interested in providing each other with information and data the Customer protects from disclosure in the course of establishing business cooperation. In this connection, the Supplier shall receive, has received, or will receive or has been given access to certain confidential, classified, and technical information and facts concerning the Customer and/or the Customer's related parties. The Customer and the Supplier understand the potential value of such information for the Supplier or third parties and the resulting risk to the Customer and/or their related parties should such information be illegitimately disclosed or misused. As a consequence, the Customer and the Supplier wish to lay down, beyond the scope of Section 1730 of the Civil Code, clear conditions under which such information may be provided by the Customer and accepted by the Supplier. "Confidential information" denotes all information relating to contractual arrangements, prices, raw materials, business partners, suppliers, products, manufacturing processes, technology, marketing, and any other information, data, records, experience, and know-how directly or indirectly related to the Customer's manufacturing or business activities, including financial, technical, operational, commercial, personnel, legal, accounting, and other information about the Customer that the Customer makes available to the Supplier and their employees or agents.
In accordance with Section 504 of the Civil Code, "trade secrets" denote all information and facts, regardless of the form and manner of their communication or recording, in particular all commercial, production, and technical facts related to the Customer's business that have actual or at least potential material or immaterial value, are not commonly available in the relevant business community, are to be kept secret of the Customer's choosing, and the Customer ensures their secrecy in an appropriate manner.
"Personal data" within the meaning of Section 4 of Act No. 101/2000 Coll., on the protection of personal data, as amended, denotes any information relating to an identified or identifiable person, which makes it possible for the person to be directly or indirectly identified on the basis of one or more elements specific to their physical,

physiological, psychological, economic, cultural, or social identity, including sensitive data within the meaning of the Personal Data Protection Act.

"Provided Data" denotes any information or data provided by the Customer to the Supplier that meets the definition of Confidential Information and/or Trade Secrets and/or Personal Data in accordance with the previous provisions of this article of the Terms and Conditions.

- 10.2 For the duration of a Purchase Contract and after its termination, the Supplier undertakes to ensure that:
- a) without the prior written consent of the Customer, they will not disclose or otherwise publish or grant access to the Provided Data to any third party, nor will they use it for their own benefit or for the benefit of a third party, nor will they misuse it to the detriment of the Customer.
 - b) they will handle the Provided Data with the same care they reserve for their own Confidential Information, Trade Secrets, or Personal Data, and at least with the care of a prudent manager.
 - c) they will use, forward, and reproduce the Provided Data only as and when necessary and exclusively for the purpose for which the it has been provided.
 - d) restrict access to the Confidential Information only to their employees and agents who need to know it for the purpose of the Cooperation and communicate the related duties to the employees and agents. In the event of a breach of a duty of confidentiality or other duties by such employees and agents, the Supplier shall be liable as if they had breached the duties themselves.
 - e) The Supplier undertakes to inform the Customer in writing without undue delay of any actual or impending breach of the duties under this article of the Terms and Conditions by the Supplier or other persons to whom the Supplier has disclosed the Provided Data or to whom they have granted access to materials containing the Provided Data.

- 10.3 The Supplier's duty under this article of the Terms and Conditions does not apply to the Provided Data which demonstrably:

- a) is part of public domain; and/or
- b) must be made available by the Supplier on account of a duty imposed on them by law, court order, or any competent public authority. In such a case, the Supplier shall, if feasible and lawful, promptly notify the Customer prior to the disclosure of the information or data and shall cooperate with the Customer regarding the timing and content of such notification or disclosure; and/or
- c) becomes part of public domain other than through a breach of the duties laid down under this Article of the Terms and Conditions or the duties of other persons to protect the Customer's Confidential Information, Trade Secrets, and Personal Data.

- 10.4 If the Supplier breaches their duty this Article of the Terms and Conditions, the Supplier undertakes to pay the Customer, at the latter's request, a contractual penalty of CZK 1,000,000 (in words: one million Czech crowns). The contractual penalty under this provision does not constitute liquidated damages, and the Customer and the Supplier accordingly exclude the application of Section 2050 of the Civil Code. The contractual penalty is payable within fifteen (15) days of delivery of the Customer's request to the Supplier. The contracting parties consider the agreed contractual penalty amount to be reasonable in view of the nature and importance of the Provided Data for the Customer.

11. Disputes, governing law

- 11.1 The Purchase Contract, these Terms and Conditions, and all rights and obligations of the Customer and the Supplier existing under the documents are governed by the laws of the Czech Republic. These Terms and Conditions and the Purchase Contract shall be governed by the laws of the Czech Republic, to the exclusion of private international law, including the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- 11.2 The parties agree that any disputes arising from or in connection with the Purchase Contract that cannot be resolved amicably shall be resolved by the general courts of the Czech Republic.

12. Contracts of adhesion

- 12.1 The parties unanimously declare that they are entering into mutual contractual relations in connection with their business activities and that, in view of the circumstances of its formation, the provisions of Section 1798 et seq. of the Civil Code shall not apply; for the avoidance of doubt, the Customer and the Supplier hereby agree to exclude the application of the provisions of Sections 1799 and 1800 of the Civil Code. The Supplier expressly declares that they are not the weaker party.

13. Withdrawal from a Purchase Contract

- 13.1 If the Supplier is late with the delivery in any way, the Customer shall be entitled to withdraw from the Purchase Contract, including the Purchase Contract as a whole, even if the delay concerns only part of the Supplier's deliverables. The notice of withdrawal must at all times be served to the Supplier in writing to the address of the Supplier's registered office or branch specified by the Supplier or via a data box. The withdrawal does not extinguish the Customer's claim for damages, where relevant.
- 13.2 In the following cases, the Customer may terminate or withdraw from the Purchase Contract with immediate effect:
- a) insolvency or other similar proceedings have been initiated against the Supplier;
 - b) the Supplier has entered into liquidation;
 - c) the Supplier has terminated one of their lines of business without which it is not possible to fulfil the purpose of the Purchase Contract;
 - d) the Supplier is late with the delivery of the Goods;
 - e) a delivery contains more than 5% of defective Goods delivered under a specific Purchase Contract.
- 13.3 If a force majeure event occurs on the part of the Supplier and the Supplier is unable to discharge their duties under a Purchase Contract in the manner and on the dates specified in the Purchase Contract for a period longer than 1 month as a result of such an event, the Customer may withdraw from the Purchase Contract. Force majeure includes events such as earthquakes, war, or extensive fires or floods. Events such as strikes, shut-downs, labour shortages, material shortages, insolvency, or delays on the part of subcontractors cannot be regarded as force majeure events.
- 13.4 Withdrawal pursuant to the points of this article above cancels the obligation established by the Purchase Contract. If a Purchase Contract has already been partially delivered upon, the party is entitled, once the conditions for withdrawal set out in the individual points of this article above are met, to withdraw from the Contract in full or only with regard to the outstanding remainder of the delivery. The parties shall settle their mutual rights and obligations in connection with the cancellation of the obligation under the Purchase Contract in accordance with the law.
- 13.5 The Customer may withdraw from the Purchase Contract at any time up to the delivery of the Goods by the Supplier to the Customer, even without any of the cases specified in the individual points of this article above occurring. In such a case, the Customer shall be required to pay the Supplier a demonstrable amount corresponding to the difference between the costs that

the Supplier has reasonably incurred prior to the Customer's withdrawal from the Purchase Contract with a view to manufacturing and delivering the Goods to the Customer, and the value of the Goods or parts thereof already manufactured, which the Supplier is able to use economically, including resale, but only up to the maximum purchase price agreed under the Purchase Contract. The Supplier is required to quantify, justify, and prove the costs thus incurred to the Customer.

- 13.6 The Customer may also withdraw in accordance with these points of the Terms and Conditions only with regard to the outstanding part of the delivery.
- 13.7 The withdrawal must be in writing and must be delivered to the other party. Withdrawal and cancellation of the obligation under a Purchase Contract shall not affect the right to compensation for any damage incurred as a result of breach of contract, the right to specific contractual penalties agreed under the Purchase Contract or these Terms and Conditions, or the provisions on the choice of law and dispute resolution, or the provisions on know-how and the protection of trade secrets and confidential information.

14. Final provisions

- 14.1 If the Purchase Contract contains a reference to Incoterms, the reference is to the International Rules for the Interpretation of Trade Terms — Incoterms 2020, unless the Purchase Contract expressly provides otherwise.
- 14.2 Commercial usage or practice between the parties to the Purchase Contract pursuant to Section 558 of Act No. 89/2012 Coll., the Civil Code, as amended, shall be disregarded. Also disregarded shall be the provisions of Section 1744 of Act No. 89/2012 Coll., the Civil Code, as amended.
- 14.3 The Purchase Contract, together with these Terms and Conditions, contain the entire agreement between the Supplier and the Customer regarding their mutual rights and obligations related to the delivery of the Goods. The Purchase Contract, together with these Terms and Conditions, supersedes in full all previous agreements or arrangements between the Supplier and the Customer relating to the delivery of the Goods.
- 14.4 The parties shall communicate in writing or electronically (by email without the use of an advanced electronic signature) in matters related to the Purchase Contract. In this way certain actions can be taken such as notifying shipment of the Goods, notifying defects in the Goods, filing requests for reimbursement of the costs for any repairs of the Goods, etc., rejecting or confirming orders or concluding specific individual Purchase Contracts may be done in writing or electronically, provided that for electronic communication, a scanned copy of the original document signed by the relevant party must be attached to the electronic message.
- 14.5 The Customer enters into a Purchase Contract with a view to acquiring the Goods the Customer needs to discharge their duty to deliver Goods to or complete work for their customer. If the Supplier fails to meet the delivery date for the Goods, or if the Goods delivered by the Supplier are defective, or if Supplier breaches other duties under the Purchase Contract, the Customer may incur damage worth an amount significantly higher than the purchase price agreed under the Purchase Contract, whether as a result of their customer withdrawing from the contract concluded between the Customer and their customer or as a result of the customer exercising their right to a contractual penalty for late delivery or defects in the Goods, etc. The Supplier acknowledges this information from the Customer.
- 14.6 If any provision of the Purchase Contract or these Terms and Conditions is or becomes invalid, void or non-enforceable, the very fact shall not result in the invalidity or non-enforceability of the Purchase Contract as a whole or of its other provisions, provided that such invalid, void or non-enforceable provision is separable from the rest of the Purchase Contract. The parties undertake to replace the invalid, void or non-enforceable provision with a new valid or enforceable provision, which will come as close as possible in content to the essence and meaning of the original provision of the Purchase Contract.

This version of LPP's Terms and Conditions was released on: 1 September 2026.

As at the date of release, this version is in force and supersedes the previous Terms and Conditions.