

**General Sales and Delivery Terms & Conditions of LTA Industrial Air Cleaning Systems s.r.o.**  
**(hereinafter referred to as "LTA")**  
**for the supply of equipment, filters, and spare parts 11/2022**

**§ 1 General provisions, area of application**

(1) These General Sales and Delivery Terms & Conditions apply exclusively to all LTA business relationships with entrepreneurs (§ 420 of the Civil Code (NCC); hereinafter referred to as the "Customer") within the meaning of § 1751 of the Civil Code (NCC) for the supplies of equipment, filters, and spare parts in the Czech Republic, or, as the case may be, in the wording of special business terms & conditions, such as LTA's Special Sales and Delivery Terms & Conditions. These General Sales and Delivery Terms & Conditions do not apply to installation work; for installation work, special LTA's installation conditions apply.

In the event of any deviations between the provisions of these General Sales and Delivery Terms & Conditions and LTA's Special Business Terms & Conditions, the stipulations of the Special Business Terms and Conditions shall prevail over the stipulations of these General Sales and Delivery Terms & Conditions.

(2) These General Sales and Delivery Terms & Conditions apply in the relevant current version as a framework contract also for future contracts for the domestic sale and/or delivery of equipment, filters, and spare parts to the Customer concerned, without LTA having to refer to this fact in each and every individual case.

(3) Exclusive validity of these General Sales and Delivery Terms & Conditions has been agreed. Any Customer's general business terms and conditions that supplement, deviate from, or are contradictory to, these General Sales and Delivery Terms & Conditions will only be included in the contract if LTA grants its express written consent to their use. This is also the case if LTA, without reservation, makes deliveries in a situation where it knows that the Customer's general business terms and conditions deviate from or are contradictory to these General Sales and Delivery Terms & Conditions.

(4) If, pursuant to these General Sales and Delivery Terms & Conditions, any legally relevant statements or notices are to be made by the Customer or LTA in writing, then the expression 'in writing' shall include both written form and text form (e.g. a letter, fax, e-mail). The written form within the meaning of § 561 of the NCC shall only apply if written form is expressly prescribed.

(5) Individual written contractual arrangements made with the Customer in a particular individual case that deviate from these General Sales and Delivery Terms & Conditions prevail.

(6) References to the provisions of the relevant Acts are only explanatory. Even without such explanation, the applicable legal provisions will apply unless directly altered or explicitly excluded in these General Sales and Delivery Terms & Conditions.

**§ 2 Offer, conclusion of a contract**

(1) LTA's offers are, in principle, non-binding, and LTA is entitled to revoke any such offer unless a specific offer is expressly identified as binding, or if it contains a specific time limit for acceptance.

(2) Specifications, illustrations, drawings, photographs, and other details of the subject of delivery contained in the prospectus, product datasheets, other product descriptions, or in documents - including in electronic forms - (e.g. advertising, public releases), even if a specific price of the subject of delivery is stated, are only approximate and non-binding, and serve, unless otherwise expressly agreed in writing, only for the individualisation of the subject matter of the contract, and do not constitute, in particular, any warranty regarding the property or properties thereof. Drawings, sketches, concepts, and other documents are a binding part of the contract only if they are explicitly identified as final documents and a binding annex to the contract.

(3) By placing an order, the Customer declares in a binding manner that it intends to accept the ordered goods into its ownership. LTA is authorised to accept an offer consisting of an order within 4 weeks of LTA receiving the relevant order. In any event, a contract will only come into existence on the basis of a written confirmation of the order, a counter-signature of the Customer's order, or the execution and delivery of the order by LTA. The decisive factor for the content of the contract is a document containing LTA's written confirmation or, in the case of execution of the Customer's order with the Customer's knowledge, the content of LTA's latest offer.

(4) Any agreements, side agreements, and additional changes, etc., between LTA and the Customer must be made in writing. Employees of LTA are not authorised to make statements beyond the scope of a written contract.

(5) LTA reserves the right for changes in construction or shape during the delivery period, if this does not result in a significant change in the goods or their functionality and appearance, and if these changes may be justifiably requested of the Customer.

(6) LTA reserves the title, all copyrights, or other intellectual or industrial property rights, to patterns, budgets, drawings, and other tangible or intangible information - including in electronic form - as well as to all other documents belonging to the offer. The above documents and information may not be reproduced or disclosed to third parties without the prior written consent of LTA, and must be returned immediately to LTA upon request.

(7) If, after the conclusion of the contract, the Customer raises any additional requirements concerning the ordered goods, or wishes to make certain changes, their acceptance, or, as the case may be, implementation, is subject to LTA's express written consent and the conclusion of an additional contractual agreement, in particular regarding additional remuneration and adjustment to the delivery period. In the period from the receipt of the Customer's request to make a change to the conclusion of an amending contract, LTA is entitled to discontinue further processing of the original order. Any extension of the delivery period resulting from the Customer's request to make the change is not attributable to LTA. If LTA submits to the Customer suggestions to make changes, the above shall apply *mutatis mutandis*.

(8) Obvious mistakes, printing, counting, typing, and calculation errors are not binding on LTA, and the Customer is not entitled to make any claims on their basis.

(9) LTA is authorised to engage, in whole or in part, a subcontractor (including, but not limited to, companies belonging to the JUNKER Group) in respect of the performance of the obligations it has assumed *vis-à-vis* the Customer, in relation to the production and delivery of the subject of delivery and/or service, even without the prior consent of the Customer. In doing so, LTA will ensure that this does not adversely affect the performance of the obligations assumed *vis-à-vis* the Customer, and will not limit the Customer's rights. LTA is responsible for the conduct and omission of subcontractors authorised by LTA. The conclusion of agreements between LTA and a subcontractor shall not create any contractual relationship(s) between the Customer and the subcontractor. The Customer is not entitled to deny LTA's engagement of suppliers.

(10) In order to secure the Customer's payment obligations, LTA reserves the right to furnish the subject of delivery by technical security equipment, in particular with a protective password. The Customer only receives a provisional and temporary password when the subject of delivery is installed. The final password will be received by the Customer once it has fully fulfilled its payment obligations resulting from the contractual relationship with LTA.

**§ 3 Prices, payments, payment terms & conditions**

(1) LTA's price lists and pricing data are in principle non-binding, unless a certain LTA's price or price list is explicitly identified as binding.

(2) Unless otherwise expressly agreed in writing, the prices are net, ex-works. Value added tax in the amount valid as at the date of the taxable supply will be added to such prices. If the prices are not agreed at the time of conclusion of the contract, LTA's prices, valid on the day of delivery, will apply.

(3) If the Customer has its registered office in the EU but outside the territory of the Czech Republic, it is obliged to comply with the rules on value added tax in force in its state. The Customer is required to notify LTA, without any further notice, of its valid VAT Identification Number (VAT ID No.), its possible change, and confirm the relocation of goods from the Czech Republic to the agreed place. Upon request, it is required to disclose information about itself as an entrepreneur (about a person liable to tax), on the shipping of the delivered goods, and information for the fulfilment of the statistical reporting obligation (Intrastat). If the Customer is not validly registered for value added tax, it is obliged to notify LTA of that fact before the contract is concluded. The Customer is also obliged to compensate LTA for costs and expenses incurred on the basis of unreported and/or incorrect data regarding import value added tax. The Customer is obliged to pay LTA value added tax additionally assessed by a tax administrator (authority) (in the Czech Republic or any other EU country), if any, and any other compensation for damage (in particular, penalties,

**General Sales and Delivery Terms & Conditions of LTA Industrial Air Cleaning Systems s.r.o.**  
(hereinafter referred to as "LTA")  
**for the supply of equipment, filters, and spare parts 11/2022**

finest, or default interest, etc.) incurred on the basis of incorrect or undisclosed data of the Customer that is relevant to the correct levy of value added tax.

If the Customer has its registered office outside the EU, the goods are destined for export from the EU then, unless otherwise agreed, the customs clearance of the goods is ensured by LTA at the costs of the Customer. Imports to the destination country, including customs clearance of goods for import into the country of destination, are provided by the Customer at its own costs. The Customer is obliged to compensate LTA for any value added tax additionally assessed by the tax administrator or any payment(s) related to the import and export of goods (in the Czech Republic or any other state), as well as for any other damage (in particular, penalties, fines, or default interest, etc.) incurred on the basis of incorrect or undisclosed data of the Customer that is relevant to the correct levy of value added tax or other taxes, and to the proper procuring of the customs clearance of goods in connection with the supply of goods to a non-EU country.

(4) The shipping costs will be invoiced separately. Any additional costs, such as transport insurance, packaging, unloading, delivery, customs, fees, public charges, etc. shall be paid by the Customer, unless otherwise expressly agreed in writing. LTA shall be entitled to charge the Customer a one-off lump sum of 20 EUR to cover postage and telecommunication expenses (e.g. telephone, fax, postage) incurred in connection with performance under contract or providing maintenance service.

(5) Unless otherwise agreed with the Customer, the purchase price is payable as follows:

- 30% of the purchase price: a deposit payable after the Customer has received a written confirmation of the order from LTA;

- 60% of the purchase price: when the notification is made that the goods are ready for dispatching or collection;

- 10% of the purchase price: upon final acceptance, but no later than 2 months after the notification of readiness to dispatching or collection, if the final acceptance is delayed for reasons beyond the control of LTA.

(6) LTA is authorised to make previously unperformed deliveries or supplies only against the payment of a deposit or provision of security if LTA, after the conclusion of the contract, becomes aware of circumstances that are likely to substantially reduce the credibility of the Customer, and under which the payment of LTA's outstanding receivables from the Customer on the basis of the relevant contractual relationship (including receivables from other partial order to which the same framework contract applies) is threatened.

(7) Unless otherwise expressly agreed in writing, invoices are payable immediately upon receipt, without any deductions. Decisive for reimbursement is the day when LTA will have the appropriate invoiced amount (equivalent) at its disposal. Unless otherwise expressly agreed in writing, the payment must be made in the currency in which the relevant invoice was issued.

(8) Upon expiry of the agreed payment periods, the Customer shall be in default, even without LTA's notification. During the period of default, the purchase price shall bear default interest at the applicable statutory interest rate. LTA reserves the right to claim damages caused by a delay, in excess of the aforementioned default interest amount. If the Customer does not fulfil its payment obligation despite the delay, or fails to provide the required security at the relevant request to do so, LTA may, within one week of the coming into existence of the delay until the date of payment, or, as the case may be, provision of security, interrupt the performance, or apply the right of retention. The delivery period shall be prolonged accordingly. If the purchase price is to be paid in instalments, the above will apply *mutatis mutandis*.

(9) Payments may be made only by cashless wire/bank transfer. Promissory notes and cheques are not acceptable to meet the payment obligation.

(10) If LTA and the Customer agree that the Customer is obliged to negotiate a documentary letter *via* its bank (or a bank that is acceptable to LTA), it is agreed that the opening of the letter of credit must be made in accordance with the Uniform Customs and Practice for Documentary Credits (UCP), 2007 revision, International Chamber of Commerce (ICC) publication No. 600.

(11) Any and all LTA receivables become payable immediately, even in the case of an agreed payment delay, if the Customer finds itself in

default on any amount receivable by LTA, if it suspends payments, if it is over-indebted, if an insolvency petition has been filed against the Customer's assets, if insolvency proceedings have been initiated in respect of the Customer's assets, or if such proceedings have been discontinued due to a lack of assets, or if LTA becomes aware of circumstances that are likely to significantly reduce the Customer's credibility. In such cases, LTA is entitled, at its discretion, to demand the return of the delivered goods, make further deliveries subject to the payment of a deposit, or provision of a guarantee, to claim damages and/or to rescind the contract entirely.

#### **§ 4 Delivery period and performance period**

(1) Unless otherwise agreed in writing, the delivery terms and delivery periods are approximate and non-binding on LTA (LTA is entitled to change such terms and periods). Fixed transactions (liabilities) will not be agreed.

(2) Compliance by LTA with the delivery dates agreed in a binding manner is based on the presumption that all business and technical issues have been clarified with the Customer, and that the Customer has fulfilled all of its obligations, such as the timely securing of its own supplies, documents, official permits or consents, tests, approvals and compliance with the agreed payment terms, and that no additional changes to the order have been requested or agreed upon. If that is not the case, the delivery period shall be prolonged accordingly, unless otherwise expressly agreed in writing.

(3) Compliance with the delivery period is agreed subject to the condition that the respective suppliers perform their supplies to LTA in a due and timely fashion.

(4) Unless otherwise expressly agreed in writing, deliveries are made ex-works at the plant in Středokluky (EXW, Incoterms 2010).

(5) The delivery period is met if the Customer is notified at the latest at the time of its expiry of the readiness of goods for dispatching or collection.

(6) If it is not possible to comply with binding delivery periods for reasons for which LTA is not responsible (unavailability of performance), the contractual terms and deadlines shall be prolonged accordingly. LTA shall promptly inform the Customer of this fact and, at the same time, inform the Customer of the anticipated new delivery date. If delivery is not available even during the new delivery period, LTA is entitled to rescind the contract in full or in part, and will pay the Customer the consideration provided by it. The unavailability of performance in this sense means, among other things, a failure by LTA sub-contractors to provide the timely supply of deliveries, in the event that LTA has concluded a corresponding hedging transaction, or any force majeure events such as wars, terrorist attacks, import and export restrictions, labour law disputes, natural disasters, or operation breakdowns on the part of LTA or its suppliers, which prevent LTA, not by its own fault, from delivering the goods on the agreed date or within the agreed period. LTA's rights to rescission and termination provided by law, with the exclusion of the obligation to provide performance (or in the event of any impossibility to provide performance, or if the performance cannot be fairly demanded, and/or if the substitute performance is impossible or cannot be fairly demanded), shall not be thereby affected. The Customer's rights to rescission and termination under these General Sales and Delivery Terms & Conditions shall also remain unaffected. Notwithstanding this, LTA is entitled, in the event of termination of the contract as a result of any force majeure event, to request the payment of the contractual performance provided by LTA until that time.

(7) If a binding delivery period is agreed and LTA becomes delayed with delivery, the Customer is entitled, following a prior written request and the expiry of an additional period of no less than 14 days, to claim a contractual penalty of 0.25% for each completed full week of delay, which penalty, however, shall not in the aggregate exceed more than 2.5% from the net price of the supplies affected by the delay. After the maximum contractual penalty has been reached and the additional period of 14 days has expired and LTA has failed to meet it, the Customer may rescind the contract.

#### **§ 5 Delivery of goods**

(1) Unless otherwise expressly agreed in writing, the goods are deemed to have been delivered to the Customer at the time the Customer was notified of their readiness for dispatching or collection. The

**General Sales and Delivery Terms & Conditions of LTA Industrial Air Cleaning Systems s.r.o.**  
**(hereinafter referred to as "LTA")**  
**for the supply of equipment, filters, and spare parts 11/2022**

Customer may collect the goods in LTA's usual business (working) hours from the plant in Středokluky (EXW, Incoterms 2010).

(2) LTA may execute and charge partial deliveries, unless a single (indivisible) subject matter of the contract is to be delivered.

(3) If documents are part of the LTA's delivery, the delivery is considered to be made when the complete documents have been delivered. Any claims by the Customer regarding the documents provided are governed solely by the provisions of Sections 9 and 11 of these General Sales and Delivery Terms & Conditions.

(4) If the delivery has been negotiated subject to Customer's approval (e.g., pre-acceptance) and if there is a delay caused thereby, or if there is a delay in the delivery itself for reasons for which the Customer is responsible, or if the Customer is on the respective due date in delay of the take-over, it shall apply, regardless of any diverting agreements, at LTA's sole discretion, that the delivery has been agreed ex-works at the plant at Středokluky, (EXW, Incoterms 2010) and/or that the unpaid purchase price becomes immediately payable (including any VAT), even in the case where the Customer fails, despite being requested by LTA in writing, to approve the supply within a period of 14 days, or if it does not enable the delivery by LTA. After the expiry of this period in vain, LTA is additionally entitled to store the subject of delivery at the Customer's risk and costs. At the Customer's request, LTA will take out insurance of the goods at the Customer's costs. Section 12 paragraph 1 of these General Sales and Delivery Terms & Conditions shall apply *mutatis mutandis*. The same applies to clearly definable semi-finished parts if, for reasons for which the Customer is responsible (e.g. as a result of the delayed delivery of supplies by the Customer), there will be a delay in the production of the subject of delivery, and thus a delay in the agreed delivery period.

#### **§ 6 Export control**

(1) If necessary, the Customer is obliged to provide all of the required information as regards the export of the goods ordered by it, or with regard to their resale, so that LTA is able to comply with the provisions of the relevant legislation that are binding on LTA and to ask for the necessary permits, etc. Any delay for which LTA is not responsible, and which arises as a result of the necessary export control, is not LTA's liability, and the agreed delivery period shall be prolonged accordingly.

(2) If, despite relevant communications from the Customer, uncertainties persist regarding the export of the goods or their end-use, and if these doubts are not removed completely by the Customer even after LTA's inquiries, LTA is entitled to rescind the contract after the expiry of an additional period of 14 days. The Customer shall not be entitled to claims for damages in such a case.

(3) If LTA incurs any damage as a result of any incorrect or incomplete information provided by the Customer, or if other claims are made against LTA in this respect, or if, in this context, proceedings are initiated by state authorities, the Customer shall compensate LTA, upon the first request, for all of the related damage, and shall provide LTA, at its own costs, with the support in defence against such claims, or in proceedings initiated in this context.

(4) Where an authorisation is required for the export of LTA's goods, the contract is concluded subject to the granting of the relevant authorisation.

#### **§ 7 Transfer of risk**

(1) As concerns ex-works deliveries from the plant in Středokluky (EXW, Incoterms 2010), the risk of accidental destruction or accidental deterioration shall pass on to the Customer at the moment LTA informs the Customer that the goods are ready for collection. This also applies if partial performance is involved, or if LTA has committed itself to separately agreed performance (e.g. commissioning) that is still to be provided.

(2) If delivery is not made ex-works from the plant in Středokluky (EXW, Incoterms 2010), the risk of accidental destruction and accidental deterioration shall pass on at the moment of hand-over to the shipper, the carrier, or a person otherwise intended to make the shipment. If the Customer becomes in delay with the take-over of goods, the risk of accidental destruction and accidental deterioration shall pass on to the Customer at the moment LTA offers the hand-over of the relevant goods.

#### **§ 8 Reservation of title (ownership right)**

(1) LTA reserves the title to all delivered goods until the Customer pays all present and future receivables from the concluded contract(s) and the customary trade relationship, which have/will come into existence due to any legal reason.

(2) The Customer undertakes to take care of the goods delivered with the reservation of title, to insure them properly, and to prove this fact upon request. Customer's claims *vis-à-vis* its own insurance company or third parties, which will arise in the event of damage, are assigned to LTA on this day. LTA accepts this assignment.

(3) As concerns goods subject to the reservation of title, no lien in favour of third parties may be established over them before the secured receivables are settled in full, nor may the goods be provided as security to third parties in the form of a security assignment of title. In the event that third parties have access to LTA's goods, or if such a danger exists, the Customer is obliged to notify LTA thereof immediately in writing, and is also obliged to warn third parties of the reservation of title by appropriate means. Should the Customer fail to comply with these obligations, it shall, upon request, provide LTA with all information necessary and appropriate for the exercise of its rights, and provide it with all assistance necessary. The Customer shall bear all costs that must be incurred to remove third party access to LTA's goods that are subject to the reservation of title, and to re-purchase these goods if it is not possible for them to be recovered from the third party concerned.

(4) In the event of a Customer's breach of contract, in particular, in the event of any delay in payment, LTA is entitled to rescind the contract in accordance with the statutory provisions, and to claim the return of the goods on the basis of the reservation of title and as a result of the rescission. If the Customer fails to pay the due purchase price, LTA is entitled to exercise such rights only if LTA previously provided, in vain, the Customer with a reasonable time limit for payment, or if the provision of such a time limit is not necessary by virtue of law. Any damage and costs incurred by LTA as a result of the rescission, in particular transportation costs, shall be borne by the Customer.

(5) The Customer may resell and/or process the goods that are subject to the reservation of title, in the course of its normal business activities; this permission may be withdrawn by LTA at any time. In this context, the following provisions shall apply:

(a) Reservation of title shall apply, to the maximum extent permitted by law, to products resulting from the processing, mixing, or combining of LTA's products at their full value, with LTA being considered the manufacturer thereof. If, in the case of the processing, mixing, or combining with third party goods, the title to the goods is retained by the third party, LTA shall acquire a co-ownership interest in proportion to the invoiced values of processed, mixed, or combined goods. As concerns other matters, the rules for items supplied subject to the reservation of title shall apply to such resulting product.

(b) The Customer already assigns all the receivables from third parties, arising from a resale or based on other legal reasons (in particular from insurance and/or unauthorised conduct), in full or in the amount of LTA's co-ownership interest under point (a) above, as LTA's security. LTA accepts this assignment. The Customer's obligations referred to in the preceding paragraph (3) also apply in relation to the assigned receivables.

(c) The Customer may enforce the receivable alongside LTA. LTA undertakes not to enforce the receivable if the Customer fulfils its payment obligations to LTA, unless the Customer defaults on payment, unless an insolvency petition is filed, unless such petition is rejected due to a lack of property, or unless any other deficiency in its ability to perform occurs. Otherwise, the Customer is required to disclose to LTA information on the assigned receivables and debtors, to provide all information necessary for the enforcement, to deliver related documents, and to inform debtors (third parties) of said assignment(s).

(6) LTA will, at its sole discretion, release the security, to which it is entitled, upon the Customer's request if its recoverable value exceeds the value of secured receivables by more than 10%.

#### **§ 9 Warranty for defects**

(1) LTA guarantees that the delivered item meets the contractually negotiated properties.

(2) The Customer is obliged to examine whether the subject of delivery is defective, immediately after delivery of the subject of delivery to

**General Sales and Delivery Terms & Conditions of LTA Industrial Air Cleaning Systems s.r.o.**  
**(hereinafter referred to as "LTA")**  
**for the supply of equipment, filters, and spare parts 11/2022**

the installation site.

(3) The Customer is obliged to inform LTA of a defect in written form and without undue delay after having identified such a defect. The defect must be described in detail in a complaint. The complaint must be made within 10 days of the date on which the Customer has discovered, or could have discovered, the defect. If the Customer does not inform LTA in written form of the defect within the aforementioned period, the Customer will lose its warranty claim entitlement.

(4) If minor deviations, which are customary in the industry or which are usually accepted between the parties, occur, the subject of delivery is deemed to have been delivered in accordance with the contract.

(5) LTA, at its option and at no costs for the Customer, shall deliver to the Customer any parts of the subject of delivery that were defective, or shall replace them with faultless parts. LTA is authorised to make a rectification of the defect repeatedly, and, at its sole discretion, to move from repair to a replacement delivery.

(6) The warranty period for the subject of delivery is 12 months.

(7) The warranty period commences at the moment of final acceptance; if the final acceptance is delayed for reasons attributable to the Customer, the warranty period shall be no more than 15 months from the date of notification of the readiness for collection or dispatching, or, in the absence of such notification, from delivery. If the Customer puts the filters into production operation prior to the final acceptance, the warranty period commences on the date of commissioning by the Customer.

If, during the warranty period, any defect occurs that LTA removes with the explicit acknowledgement of a legal obligation by supplying a defective part (i.e. new delivery) or by repair, the warranty period for the newly delivered or repaired part begins to run again if the supplier's performance under the warranty is provided with an express acknowledgement of a legal obligation; however, the warranty period for the newly delivered or repaired part shall be a maximum of 18 months from the final acceptance of the subject of delivery; and in the case where the filter is put into operation before the final acceptance is carried out, it shall be a maximum of 18 months from the date of putting the filter into operation.

For parts (components) of the subject of delivery that are not affected by replacement delivery or repair, the warranty period shall not run for as long as the subject of delivery is out of service due to the replacement or repair.

(8) The Customer shall provide LTA with the necessary time and opportunity, after giving LTA notice, to make any repairs and replacement deliveries that LTA deems necessary. Only in emergencies of operational safety, or in order to defend against disproportionately high damage, which LTA must immediately be notified of, the Customer has the right to remove the defect itself, or to have it removed by third parties, and to require LTA to compensate it for any necessary and reasonable costs.

(9) Of the costs directly related to the repair or replacement delivery, LTA shall bear – if the warranty proves to be justified – the costs for the part being replaced, including shipping costs. In addition to that, LTA shall bear the costs of dismantling and assembly, and the costs for the necessary provision of fitters and assisting workers, including travel expenses, provided that this does not place undue burden on LTA.

(10) The Customer is entitled to rescind the contract within the scope of the statutory provisions if – taking into account exceptional cases provided for by the law – LTA lets a reasonable period, set for it for the repair or replacement delivery in connection with the defect in the item, expire in vain. If the defect is only insignificant, and if substitute performance cannot be reasonably demanded from LTA, the Customer only has the right to a discount on the contractual price. Additional claims are governed by Section 11 of these General Sales and Delivery Terms & Conditions.

(11) LTA is responsible for the fitness for use of the subject of delivery only if the subject of delivery is used by the Customer for contractually foreseeable operating conditions, and also otherwise in accordance with the contract. In particular, the Customer has the following obligations: it is obliged to comply with all the provisions of the operating and maintenance manuals, and to carry out the personnel training, if any, offered by LTA.

In addition, LTA shall not be held responsible if the Customer deviates from LTA's written instructions.

The warranty also does not apply to the following cases: inappropriate or unprofessional use of the subject of delivery; defective or unprofessional assembly, installation, defective or unprofessional commissioning by the Customer and/or third parties; defective or negligent operation, improper or negligent handling or storage; maintenance not properly conducted; faulty repair performed by the Customer or third parties; inappropriate or contaminated or otherwise mistaken material(s) (operating substances, raw materials, and auxiliaries) for production operations; defective construction work, inappropriate foundation soil, chemical, electrochemical or electrical influences – unless LTA is responsible for the abovementioned circumstances.

LTA's liability for defects also does not apply to normal wear and tear or reductions or damage caused by corroding material(s), inappropriate solvents, inappropriate operating substances and lubricants, inappropriate raw materials or inappropriate or defective power or water supply, provided these supplies are made by the Customer, and/or they are not LTA's responsibility. In addition to that, LTA is not responsible for defects in the construction prescribed by the Customer and for alterations/modifications made to the subject of delivery by the Customer or by third parties without the written consent of LTA.

(12) In the event that the Customer or a third party makes any unprofessional repair, LTA's liability for the consequences and damage resulting therefrom shall be excluded. The same applies to any alterations/modifications to the subject of delivery made without the prior consent of LTA. Third parties within the above-mentioned sense are not companies belonging to the JUNKER group.

(13) If the Customer reports a defect and the defect for which LTA is liable cannot be identified, LTA is entitled to invoice the Customer for any costs, expenses, and damage incurred by LTA due to such unjustified defect claim.

(14) As concerns products that LTA purchases from a third party (but not from a company that belongs to the JUNKER Group) for their resale to the Customer, LTA assigns all warranty rights *vis-à-vis* such third party to the Customer. LTA is also obliged to assume the warranty provided for in the above paragraphs in favour of the Customer, provided however that the Customer has previously attempted in vain to enforce the assigned warranty rights against the third party concerned.

**§ 10 Liability for infringements of copyright and other intellectual or industrial property rights**

(1) LTA guarantees that there are no patents or other intellectual or industrial property rights of third parties that could be applied to the subject of delivery within the use in accordance with the intended purpose of use, at the time of the risk transfer at the place of installation of the subject of delivery. The provisions of Section 9 paragraphs (3) to (10) and Section 9 paragraph (14) of these General Sales and Delivery Terms & Conditions shall apply *mutatis mutandis*.

(2) LTA's liability is excluded if the patent or other intellectual or industrial property rights of third parties are violated because LTA has complied with the design provided by Customer, or has complied with the Customer's instructions, or because the subject of delivery was used in a particular way, for a particular purpose, in a particular country, in combination with other products or other programming equipment (software), if such fact was not disclosed to LTA at the time of conclusion of the contract.

(3) The Customer is obliged to inform LTA, during LTA's liability period, in writing as soon as possible in the event of a third party claiming to have a patent or other intellectual or industrial property right in respect of the subject of delivery, or raising a claim in court or out of court. Before the Customer acknowledges any claim enforced by a third party in court or out of court, it will provide LTA with an opportunity to express its opinion. The Customer must, on request, grant LTA permission to conduct negotiations or a legal action with the third party concerned on its own account, and on its own responsibility. The Customer is liable to LTA for any damage arising from any caused breach of the above obligations.

(4) The Customer guarantees that the design or instructions provided by it will not result in LTA's breach of patents or other intellectual or industrial property rights of third parties in the performance of its contractual obligations. The Customer shall compensate LTA for damage, or, upon first request, shall compensate it for any reasonable costs and damage incurred by LTA as a result of non-compliance with

**General Sales and Delivery Terms & Conditions of LTA Industrial Air Cleaning Systems s.r.o.**  
(hereinafter referred to as "LTA")  
**for the supply of equipment, filters, and spare parts 11/2022**

this warranty.

**§ 11 Liability, limitation of liability**

(1) LTA shall be liable for claims for compensation for damage and costs (hereinafter referred to as "Damages") incurred by the Customer, caused by intention or gross negligence on the part of LTA, including intention or gross negligence on the part of LTA's statutory representatives and assistants, within the meaning of § 2914 of the Civil Code (NCC), in accordance with the statutory provisions. If LTA, at its fault, breaches a substantial contractual obligation (i.e. an obligation the fulfilment of which allows for the proper performance of the contract and the fulfilment of which usually is, and should be capable of being, relied on by a contracting party), it is also held liable in accordance with the statutory provisions.

(2) Unless an intentional breach of a contract is involved, LTA's liability for Damages is limited to predictable, typically arising damage.

(3) LTA's liability is limited to direct material damage (i.e., damage to the delivered goods as such). LTA is not liable for any indirect and consequential damage (e.g., production stoppage, loss of use, loss of profits, contractual penalties, damage to processed items, etc.).

(4) In addition, LTA is only liable for damage that is incurred during the warranty period pursuant to Section 9 of these General Sales and Delivery Terms & Conditions and reported by the Customer to LTA in written form, stating the description of damage, without undue delay after the occurrence of the relevant damage.

(5) Disturbances arising from the sphere of Customer's influence and resulting in problems with the outcome of the supply of goods delivered by LTA (e.g.: Customer error in operation/failure to provide assistance resulting in filter failure or non-compliance with quality parameters) shall fall exclusively within the area of risk and liability of the Customer. The Customer must ensure in time that all conditions for proper operation of the subject of delivery are met at the agreed time; LTA shall not be liable for defects stemming from the sphere of Customer's influence and for defects and damage caused by the Customer or personnel provided by the Customer, unless such defects, faults, and damage are based on LTA's erroneous instructions.

(6) If LTA provides technical information or advisory services, and such information or advisory services do not fall within the scope of LTA's performance which has been contracted and to which LTA is obliged, such information or advisory services are provided free of charge and with the exclusion of any liability.

(7) LTA's liability for damage is limited to the extent of insurance cover under liability insurance for damage caused by LTA's operating activities, taken out by LTA.

(8) Exclusions and limitations of liability arising from the above provisions of these General Sales and Delivery Terms & Conditions do not apply to claims for Damages arising out of any intentional or grossly negligent conduct, in the event of any caused damage or injury to health and life, and in the case of claims under § 2939 *et seq.* of the Civil Code (NCC) dealing with liability for damage caused by product defect(s). Exclusions and limitations of liability are also not applicable if LTA has deceitfully concealed any defect, or assumed a warranty for a certain property of the subject of delivery.

(9) Except as otherwise expressly provided above, LTA's liability is excluded to the maximum extent permitted by law.

(10) To the extent that LTA's liability is excluded or limited, also (i) the liability of LTA's statutory representatives, proxy holders, and assistants, and (ii) the liability of persons affiliated with LTA, including their statutory representatives, proxy holders, and assistants, shall be excluded.

**§ 12 Set-off, retention, assignment**

(1) LTA is authorised to set off its claims against Customer's claims raised with LTA or to exercise a right of retention, even if the claims have different maturity periods, and even if LTA's or the Customer's claims are not yet due.

(2) The Customer is authorised to set off its receivables against LTA's receivables claimed with the Customer or to exercise a right of retention only if its claims have been established with final (non-appealable) effect, if they are uncontested, or if they have been acknowledged by LTA. In addition to that, the Customer may only exercise the right of retention if its mutual claim is based on the same contractual relationship.

(3) The Customer hereby declares that it agrees to its receivables and payables being set off by LTA. LTA may also set off its receivables and payables against the receivables and payables of companies belonging to the Customer's group.

(4) The Customer's claims against LTA may not be assigned without the prior written consent of LTA.

**§ 13 Use of programming equipment (software)**

If any programming equipment (software) is included in the scope of delivery, the Customer is provided with a non-exclusive and non-transferable right to use the supplied programming equipment (software), including related documentation. The programming equipment (software) is let for use on the subject of delivery concerned. The use of the programming equipment (software) on more than one system is prohibited. The Customer is authorised to reproduce, process, translate, or modify (convert) the programming equipment (software) from the target code into the source code only to the extent permitted by law (§§ 65 *et seq.* of the Copyright Act). The Customer undertakes not to alter the manufacturer's data, in particular the clause concerning the reservation of copyright (copyright clause), nor remove or it or change it without the prior written consent of LTA. All other rights to the programming equipment (software) and related documentation, including copies, shall remain with LTA or, as the case may be, suppliers of the relevant programming equipment (software). Sublicensing is inadmissible.

**§ 14 Confidentiality**

The Customer is obliged to keep in strict secrecy any and all information, documents, documentation, drawings, sketches and other materials, know-how, and other business and operational secrets (hereinafter referred to as the "Confidential Information"), and not to disclose or otherwise reveal the Confidential Information to any third parties without the express consent of LTA. LTA will also maintain confidentiality regarding the Customer's documents and materials.

**§ 15 Final provisions**

(1) These General Sales and Delivery Terms & Conditions and all legal relationships between the contracting parties or their respective legal successors shall be governed exclusively by the laws of the Czech Republic, with the exclusion of the United Nations Convention on Contracts for the International Sale of Goods, and with the exclusion of the provisions of international private law.

(2) The place of performance is Středokluky. For all disputes arising from all contractual relationships to which these General Terms and Conditions of Sale and Delivery apply, the District Court in Kladno shall be the competent court if a district court has jurisdiction, or alternatively the Regional Court in Prague shall be the competent court if a regional court has jurisdiction. However, LTA is also entitled to apply to a court with jurisdiction based on the Customer's registered office.

(3) If any of the provisions of these General Sales and Delivery Terms & Conditions, or any applicable contract entered into between the contracting parties, is or becomes invalid, the validity of the General Sales and Delivery Terms & Conditions or the relevant contract as a whole shall not be affected thereby. The contracting parties undertake to replace such invalid provisions with provisions that come, in a legally permissible manner, as close as possible to the regulation contained in the invalid provisions. The same applies to any gaps. In order to fill the gaps, the contracting parties undertake to strive for a regulation that comes as close as possible to what the contracting parties would have agreed upon, considering the meaning and purpose, if they were or had been aware of that fact.