

# General Business Terms and Conditions

of company AVT Group a.s., with registered offices at V lomech 2376/10a, Chodov, 149 00 Prague 4, business ID 01691988, registered in the Commercial Register maintained by the City Court in Prague, Section B, File no. 19128

**For information ONLY. Czech version prevails and is applicable to all business relationships.**

## 1 Scope of Application

1. These General Business Terms and Conditions (hereinafter referred to as "*BTC*") govern all business relationships entered into by AVT Group a.s. (Hereinafter the "*Contractor*") and all the second parties (hereinafter the "*Client*"), if directly referred to in the respective contract between the Contractor and the Client or the related document(s) or in the binding order in the sense hereof. The reference hereto may be included in the Framework Agreement, in the particular Contract for Work, in the relevant Delivery Note or the Handover Protocol. By signing such document, the customer, that is the Client, confirms their familiarization and consent with these BTC and their binding nature acceptance.
2. All business relations are governed by the law of the Czech Republic, specifically the Civil Code of the Czech Republic. These BTC represent the basic terms of the Contractor's goods and service sales and take precedence over the default rule of the valid legal order of the Czech Republic where they deviate therefrom. Derogations from these BTC shall only be valid if explicitly set in the relevant commercial agreement.

## 2 Contract Execution

1. The individual Contracts for Work shall as a rule be executed in writing on the basis of written, including e-mail, order placed by the Client.
2. The Contract for Work, or the Client's order, shall include at least the following:
  - a. The business name, registered seat or place of business of the Client,
  - b. The Client's business ID (and tax ID if the Client is a registered VAT payer)
  - c. The clearly defined content of the supply,
  - d. The agreed price,
  - e. The place and date of delivery,
  - f. In the case of a written order a legible signature of the Client's authorized representative.
3. On the basis of the Client's order, meeting the above defined requirements, the Contractor shall issue an order confirmation for the Client with any precision of the delivery content and terms, with reference hereto.
4. Unless the Client cancels or changes the order within 24 hours of its placement, this confirmed order shall be deemed to be a binding contract.
5. An amended order containing deviations, additions, reservations, limitations or other changes in relation to the Contractor's offer shall be considered a new order, only binding for the Contractor after delivering this new order confirmation by the Contractor to the Client with acceptance of the new order by the Contractor with any amendments of the original offer. The Contractor shall deliver the order confirmation



in the form agreed hereby. In such case the contract shall be deemed executed at the moment of the order confirmation delivery to the Client.

6. By order placement, the Client confirms acquaintance with and acceptance of these BTC as part of the contract executed between the Client and the Contractor. By order placement, the Client accepts that these BTC are the only terms applicable to the contract executed on the basis of the order placed. To avoid any doubt, no business or contractual terms preprinted on or otherwise specified in or attached to the order shall apply to the contract.
7. The Client placing an order agrees to accept the goods or service ordered and duly and timely pay for them within the agreed payment maturity,
8. These BTC form an integral part of the contract executed between the Contractor and the Client, unless explicitly specified otherwise in writing.

### **3 Payment Terms and Retention of Title**

1. The Contractor shall issue the invoice(s) to the Client within the deadline agreed between the parties. Even if the respective invoice is not issued the Client shall pay to the Contractor as agreed, after the supply delivery by the Contractor at the latest.
2. The invoice payment deadline is 14 days after the invoice issue date.
3. In the case of the Client's delay in an invoice payment within maturity, the Client hereby agrees to pay a contractual penalty to the Contractor in the amount of 0.1 % of the total amount due for each day of the delay.
4. Only after payment of the full invoiced amount, including potential accessories and contractual penalties, the Work, or Work- or contractual supply-related object ownership shall pass from the Contractor onto the Client.
5. In the case of non-payment of the supply following from the respective contractual relationship, or the relevant invoice, to the Contractor within maturity, the goods or other supply, or the Work, may be taken back by the Contractor.
6. The Client hereby agrees not to obstruct the goods takeaway by the Contractor's staff in this situation, hereby granting their consent therewith without any further action needed. The contracting parties hereby explicitly agree on the right of the Contractor to perform the above mentioned goods takeaway, including without the Client's presence or any further consent, including if such consent has been revoked, with the Contractor's right of entry to the Client's premises for this purpose.
7. This is without prejudice to the Client's liability to pay the related contractual penalty, delay interest or damage compensation as well as other costs related to the goods takeaway and contract termination.

### **4 Construction Site/Place of Supply**

1. The Client shall hand over to the Contractor the construction site/place of supply (or its separately usable part, hereinafter the "Site"), free of factual defects and third-party rights, within 10 days of the respective contract execution, unless otherwise agreed between the Client and the Contractor in writing, the Site being legally and factually suitable for the Work performance.
2. Non-handover of the Site by the Client even within an additional adequate deadline specified by the Contractor shall be deemed substantial breach of the contract, making the Contractor eligible to

withdraw from or terminate the respective contract by notice. At the same time, the Work delivery deadline shall be extended by the period of the delay with due Site handover.

3. The Client shall compile a written handover protocol on the Site takeover by the Contractor, which shall be signed by both parties.
4. The date of bilateral execution of the handover protocol shall be deemed the date of the Site takeover by the Contractor.
5. The Site handover/takeover shall include the Client's submission of document necessary for proper use of the Site by the Contractor, unless already submitted, including:
  - a. The Site layout plan with directional and elevation points markings,
  - b. Foot and vehicle access road marking,
  - c. Marking of connection points for water taking, sewage disposal, electricity, gas and other media consumption,
  - d. Environment protection conditions (including greenery maintenance, waste disposal, contaminated water draining etc.),
  - e. Documentation of the existing underground infrastructure layout within the Site, including adjacent land plots, which will be affected by the Work performance, including the terms and conditions required by the infrastructure administrators to be observed during the works.
6. The Contractor shall not be responsible for damage to existing underground infrastructure not marked in the Client's documentation or not explicitly noted by the Client.
7. In the case of damage to the existing infrastructure duly handed over and marked in the layout by intentional action of the Contractor, all cost of the infrastructure restoration to its original condition, including potential damage compensation, penalties etc. shall be borne by the Contractor, provided that the Client has met all their liabilities and commitments, including notification of the infrastructure existence and locations.
8. In the case of damage to existing infrastructures not duly handed over and marked in the documentation, the Contractor shall restore these to their original condition without undue delay at the cost, including potential damage compensation, penalties etc, of the Client.
9. The Contractor shall exclusively use the Site for purposes related to the Work performance and in compliance with all applicable legislation.
10. The Contractor shall not use the Site for staff accommodation, unless it is specifically designed for the purpose.
11. The Contractor shall place on the Site a label with identification data provided by the Client, if applicable, and an information table in the form and size usual for the purpose, with specification of the construction and the Contractor, Client, technical and author's supervisor data. The Contractor shall keep the project identification table up to date on the basis of information provided by the Client.
12. The Contractor shall keep the Site clean and tidy.
13. The Contractor shall keep removing from the Site all types of waste, construction debris and unneeded materials.
14. The Contractor shall not dump waste resulting from their activity and shall not store the construction materials outside the Site.

15. The deadline for Site clearance and Site equipment removal shall be 15 days of the finished Work handover date, unless otherwise agreed in the respective takeover protocol (especially in relation to leaving on Site equipment needed for remedy of defects and backlog in the sense of the Work takeover protocol).

## 5 Work Implementation

1. In the case of the Work schedule delay for reasons on the Client's or the Client's subcontractors' side by more than 30 days, the Contractor may bill the goods supplied and supply provided since the previous payment by the Client, even if the billing is outside the contracted billing terms.
2. The Client shall timely provide every assistance to the Contractor needed for the Work performance.
3. The Client shall prepare the place of supply according to the Contractor's requirements, especially those specified in a separate agreement, offer or order confirmation, or in a separate e-mail sent by the Contractor to the Client.
4. For installation of technologies and end equipment, the Client shall ensure at least the following parameters of the installation environment: (i) Temperature at least +5 °C - external influence AA5, (ii) Dust-free environment - max. external influence AE1, and (iii) Humidity 5% - 85% - external influence AB5. If the conditions defined under (i), (ii) and (iii) above herein are not met, the Contractor may suspend works until all these conditions are complied with. This will not constitute the Contractor's delay with the contract implementation. All the consecutive contractual deadlines shall be extended by this period of work suspension.
5. The Client shall, no later than three weeks after the respective contract execution or within another period requested in writing by the Contractor, provide the Contractor with contact details of the Client's IT staff or IT service provider in order to ensure that the Contractor's requirements for the Client's IT infrastructure are met (e.g., IP address settings). Failure of the Client to meet this obligation will extend the consecutive contractual implementation deadlines without the Contractor being in delay with the contract implementation. However, the Client's failure to meet this obligation will not affect the Contractor's right to and dates of invoice issue pursuant to the contract.
6. If user training is part of the Contractor's contractual obligations, the Client shall ensure that the users to be trained possess at least elementary knowledge of the installed technologies, even if in relation to equipments by other manufacturers. Training in excess of the contracted scope is possible on the basis of prior agreement between the Contractor and the Client. The Client shall also ensure that the user(s) to be trained in the supplied equipment operation take part in the Work implementation as observers and thus familiarize themselves with the supplied solution since the start of its installation. The Contractor shall not take any responsibility for the result of the training as concerns fulfillment of tasks by the trainees after the training completion.

## 6 Design Documentation – Submission and Comments

1. In connection with the performance of the contract the subject of which is design documentation preparation by the Contractor, the documentation will be exclusively delivered in the electronic format, by email to the contact provided by the Client. The documentation will either form an attachment to the e-mail or will be delivered in the form of reference to a storage location where the design documentation is prepared for download.
2. Maximum two rounds of comments to the design documentation are permitted. Integration of any further requirement beyond this scope shall be charged by a 10% increase of the contract price.

3. If the Client fails to submit any comments within 14 days of the documentation receipt, the documentation shall be deemed duly handed over and the Contractor's right to its billing shall be constituted.

## 7 Work Handover

1. After the Work completion, the Contractor shall invite the Client to take the Work over from the Contractor. The Work handover by the Contractor shall proceed as follows:
  - a. The Client shall verify due completion of the Work or its relevant part within five (5) days of the respective invitation by the Contractor. In the event that the Work is found non-compliant with the conditions specified for its takeover, the Client shall inform the Contractor in writing or by e-mail within the same five (5) days of the date of the Contractor's invitation to the Work takeover. The notice shall include all reasons why the Client considers the Work incomplete in sufficient detail for the Contractor to be able to remedy the discovered defects. The Contractor shall remedy all the defects within the nearest possible deadline and prepare the Work for takeover again in compliance with the defined procedure. The Client shall then have another five (5) days for verification of the defect remedy and the Work completion. This procedure will be repeated until proper completion of the Work.
  - b. Takeover of the duly completed Work will be confirmed by signing the takeover protocol. The Client is liable to take the Work over from the Contractor once it is duly completed. The Client may only refuse to take the Work over if defects are found in the course of the takeover procedure (see section a. above herein). Defects or drawbacks not preventing the use of the functioning Work shall not constitute the reason for the Work takeover refusal.
  - c. If, within five (5) days after the date on which the Work is handed over to the Client for verification of its proper completion, the Client does not sign the takeover protocol or does not notify the Contractor in writing of its refusal to accept the Work, listing the defects, the Work shall be deemed to have been accepted by the Client, and the takeover protocol shall be signed by the Contractor's representative only and shall be equivalent to a takeover protocol signed by both contracting parties.
  - d. In addition, any partial or complete Work use or launch for operation by the Client or a third party before the takeover protocol execution shall be deemed the Work acceptance by the Client. In such case, the takeover protocol shall be prepared and signed by the Contractor only and shall be equivalent in all respects to a takeover protocol signed by both contracting parties.
2. Execution of the takeover protocol by both contracting parties on the Work acceptance and further the actions described under (1) b. and c. above herein shall be deemed actions confirming the Work completion and handover to the Client in the sense of Section 2604 of the Civil Code.
3. The procedure described in section 1 of this Article shall apply *mutatis mutandis* to takeover of parts of the Work if so agreed in the respective contract.
4. The contracting parties agree that the Client is liable to accept the Work, or its defined part, when handed over by the Contractor, unless there are substantial defects of the Work for which the Contractor is responsible, and to do so without undue delay on the basis of written request of the Contractor to that effect. If the Client fails to do so then the Work shall be deemed duly accepted by the Client anyway.
5. If substantial defects are discovered and defined on the Work acceptance then the contracting parties are liable to compile a report listing these.

## 8 Contract Termination

1. This contract may only be terminated in writing and the termination shall take force and effect on the third day after delivery of the written termination notice to the other party.
2. The Client may only withdraw from the contract in the case of a substantial culpable breach of the contract by the Contractor or for explicitly defined reasons.
3. The Contractor may only withdraw from the contract in the case of a substantial breach of the contract by the Client or for explicitly defined reasons.

## 9 Warranty Terms, Complaint Procedure

1. The length of the warranty period shall be defined by a separate agreement of by the Contractor's offer. The length of warranty for goods (supplied together with the Work) shall not exceed the warranty provided by the goods manufacturers.
2. The warranty shall not apply to defects caused by mechanical damage, unprofessional operation, force majeure (circumstances excluding responsibility) etc.
3. The warranty period shall start on the date specified in the delivery note or the takeover protocol or the date of taxable supply specified in the invoice for the goods, whichever comes earlier.
4. Standard warranty service shall be provided according to the terms and conditions of the goods manufacturer.
5. The Client may file a complaint before the last day of the warranty period, with a complaint sent on the last day of the warranty period considered timely as well.
6. The Client shall file their complaint via the web form to be found on <https://avtg.cz/servis>.

## 10 Fire Protection

1. The rights and liabilities of the Contractor and the Client in the field of fire protection follow from the generally binding applicable legislation.
2. The Client's employees and representatives are liable to follow the Contractor's instructions and obey orders of the Contractor's supervisory bodies in the field of fire protection in compliance with the Contractor's general and internal regulations for the fire supervision activity performance.

## 11 Occupational Health and Safety

1. During the Work performance by the Contractor, the Client shall comply with the OHS regulations and, in the first place, the Contractor's staff instructions.
2. The Client is responsible for injuries and damage resulting from violation or neglect of safety standards in accordance with the relevant provisions of the Labor Code and government regulations implementing the Labor Code and certain other laws, or in accordance with special regulations.
3. The Client is liable to appropriately and sufficiently secure, fence and guard the place of supply by the Contractor.
4. The Client's employees and representatives shall observe instructions given by the control authorities of the Contractor (safety engineer, energy specialist, quality control staff etc.) as well as by the construction

management (master, site manager). In the case of any violation of the principles of "occupational health and safety" by employees or representatives of the Client or third parties, the Contractor is entitled to arrange for remedial measures, including expulsion of the violators from the Site.

5. The Client accepts that other staff may work on Site during all construction and assembly stages of the Work. A relatively high number of supplies of different kinds shall be performed at the same time in a limited space and at completely or partly finished structures. This is why close cooperation between the Client and the Contractor as the coordinator of the various other contractors' activities is necessary.
6. Failure to meet the deadline for completion of the Contractor's works due to improper coordination of construction activities on the Site by the Client, i.e., not allowing the Contractor to commence or continue the work for a period of at least 2 days, thereby causing downtime to the Contractor, obliges the Client to extend the deadline for completion of the Contractor's performance by the duration of the downtime, including any compensation for related damage.

## 12 Damage Liability

1. The total liability of the Contractor for damage, including contractual penalties and other claims resulting from violation of the Contractor's liability(ies) is limited by 10 % of the contract price (VAT exclusive) for all damage events in aggregate. The Contractor shall not cover indirect and consequent damage (lost profit, capital cost etc.). This restriction also applies to compensation for immaterial loss which the Contractor might be obliged by law to compensate. The above limitation shall not apply to damage caused intentionally or by gross negligence of the Contractor.
2. The Client hereby expresses their understanding that the subject of the Contractor's deliveries may include supply and installation of specific electric equipment the supply, installation and subsequent operation of which require compliance with strict safety regulations.
3. If security guarding of the place of performance is not included in the Contractor's supply, the Client undertakes to ensure, throughout the entire period of installation of the subject of the Work by the Contractor at the place of performance, the safety and fire protection of the Client's persons and property, including the subject of the Contractor's Work, if the Contractor has already commenced installation work at the place of performance or if part of the Contractor's delivery is already located at the place of performance.
4. In addition to the above, the Client shall prevent any unauthorized access to the subject of the Work by persons other than the Contractor and its staff. This liability shall last throughout the period of the Work supply and installation by the Contractor.
5. The Contractor shall not bear any responsibility for damage caused by violation of the above liability by the Client. The Contractor shall therefore not bear the risk of damage to the Client's property and the subject of the work already located at the place of performance, nor shall it be liable for injuries and damage to the health or life of third parties.
6. Unless the contracting parties agree that the Work guarding shall be performed by the Contractor, the Client shall bear responsibility for damage to the Work. If the contracting parties agree that the Contractor shall provide for security guarding of the Work, liability for damage shall pass to the Client upon handover of the Work or its relevant part within the meaning of this contract.

### **13 Force Majeure**

1. The Contractor is entitled to suspend the performance of its obligations under the contract for the duration of circumstances of force majeure within the meaning of Section 2913(1) of the Civil Code, in particular strikes, natural disasters, epidemics, export/import bans imposed by state authorities, regulations (interruptions/restrictions) on energy consumption not caused by the Contractor, terrorist attacks, uprisings, mobilization, war, etc., including obstacles caused by the actions/inaction of public authorities. The Contractor agrees to inform the Client of any force majeure event or circumstance without delay.

### **14 Relation to Third Parties, Receivable Offset**

1. The Contractor may have the Work or any of its parts implemented by a third party without prior written consent of the Client.
2. Based on these BTC, it is stipulated that neither the Client, nor any persons directly associated with the Client in the performance of the work or in a contractual relationship with the Contractor, are entitled to offset any claims against the Contractor without the express written consent of the Contractor, regardless of whether they arose during the performance of the work in question or within the framework of the relevant contract for work or supply, based on an order, or in any other way.

### **15 Miscellaneous Provisions**

1. The Contractor reserves the right to amend these BTC, especially in response to amended legal standards or method of business.
2. The Contractor reserves the right to change (novelize) these BTC. The novel BTC shall come to force and effect on the fifteenth day after their publication on [www.avtg.cz](http://www.avtg.cz). The amended BTC shall not apply to the contract already executed between the Contractor and the Client whose integral part these BTC form.
3. The Client is entitled to notify the Contractor of any disagreement with the amended BTC within 7 days of learning about the BTC novelization or amendment. If the Client fails to do so then the Client shall be deemed to have accepted the amended BTC.
4. The legal relationships not explicitly stipulated herein shall be governed by the relevant provisions of Act no 89/2012 Coll., the Civil Code, as amended, and the related legislation. The Contractor shall not be responsible to the Client for damage caused by circumstances excluding responsibility, such as state interventions, operational, transport and energy faults, electronic trading system failures, strikes or lockouts. These circumstances shall constitute the reason for the Contractor's postponement of its contractual liability fulfillment for the time and within the scope of impact of these circumstances. The same applies to circumstance excluding responsibility of the Contractor's subcontractors.
5. If any one or more provisions hereof become invalid or ineffective, the remaining provisions shall not be affected and shall remain in full force and effect, provided that they can be severed, considering their substance, content and consequences on the basis of which they were agreed, from the invalid or ineffective provisions.
6. The Client agrees to inform the Contractor without delay about any changes in the Client's trade authorizations, tax liabilities (including change of tax ID or tax administrator), valid bank account and bankers and insolvency occurrence. In the case of the Client's insolvency, all of the Contractor's receivables towards the Client become payable as at the date when the Contractor is informed about the insolvency. In such case, the Contractor is entitled to request immediate return of all unpaid goods.

7. The written form of a legal act is preserved if the legal act is performed by an authorized person on behalf of the contracting parties in writing or by email to the agreed email addresses. If the Client refuses to receive or thwarts delivery of a communication from the Contractor then the communication shall be deemed delivered on the day of the refused or thwarted delivery.
8. The contracting parties shall keep confidential all facts learned in connection with this contract and related negotiations. This liability shall survive termination of the contractual relationship between the parties.
9. The contracting parties expressly declare that, for the purposes of all their contractual relationships, neither of them considers itself to be the weaker or stronger party within the meaning of the Civil Code, and that their positions are equal.
10. The Client hereby grants consent to the Contractor to process, as the data controller, all personal data relating to the Client that is provided to the Contractor, including the birth number of natural persons and telephone numbers, in accordance with Act No. 101/2000 Coll., on the protection of personal data, as amended. This consent shall apply until its written withdrawal. Personal data does not include data for which the identification of the data subject would require a disproportionate amount of time, effort, or material resources. The personal data provided shall be processed for the purpose of service offers, for marketing purposes and for acquisition activities. This consent with personal data processing also applies to all other acquirers or processors of this data. The Client hereby agrees with the Contractor's sending advertising materials and offers to the Client.
11. The Contractor is entitled to transfer any contract-based receivable towards the Client without the Client's consent. The Client is only entitled to transfer any contract-based receivable towards the Contractor with prior written consent of the Contractor. The Contractor is entitled to unilaterally offset its receivables towards the Client against the Client's receivables towards the Contractor.
12. In the case of any dispute between the Client and the Contractor the parties agree to primarily attempt at its amicable settlement. If an amicable agreement cannot be reached, then all disputes arising out of or in connection with this Agreement shall be finally decided by the Court of Arbitration of the Czech Chamber of Commerce and the Czech Agrarian Chamber in accordance with its rules by a single arbitrator. Namely JUDr. Lukáš Eichinger, MBA.

These General Business Terms and Conditions take effect as of 16 June 2024.