

GENERAL TERMS AND CONDITIONS OF PURCHASE OF J. PICHLER GMBH

I. Scope of application

1. Agreements between J. Pichler GmbH (referred to hereinafter as the "Client") and its suppliers / subcontractors (referred to hereinafter as the "Contractor") are governed only by the following Terms and Conditions of Purchase. Terms and conditions which differ from these Terms and Conditions, especially the Contractor's Terms and Conditions of Business, shall not apply, even if the Client does not disagree separately with their applying on an individual case basis. Even if the Client refers to a written document which contains or makes reference to the Contractor's Terms and Conditions of Business or those of a third party, this shall not constitute any agreement to such Terms and Conditions of Business applying.
2. Other agreements, modifications and side agreements require the Client's express written confirmation in order to become legally effective.
3. The contractual terms and conditions shall be applied and interpreted in the following order:
 - a) the individual text(s) of the agreements together with attachments including any supplementary terms and conditions contained in the respective business documents used during the processing of the offer and order;
 - b) the present General Terms and Conditions of Business;
 - c) the *Unternehmensgesetzbuch (UGB) [Austrian Entrepreneurial Code]*;
 - d) the *Allgemeine Bürgerliche Gesetzbuch (ABGB) [Austrian Civil Code]*.

The ineffectiveness of individual parts of these General Terms and Conditions of Business shall not affect the validity of the remaining provisions. The ineffective provisions shall be replaced by those statutory provisions which come closest to the legal and financial intention of the ineffective provisions.

II. Quotation

1. If the Contractor issues a quotation in response to an enquiry by the Client, the content of the quotation must correspond fully to the enquiry, especially with regard to the composition and quantities. In the event of discrepancy the Contractor must expressly point this out in writing.
2. Quotations are issued free of charge and do not form the basis of any obligation on the enquiring partner. Cost estimates are only remunerated by special agreement.

III. Purchase orders

1. Orders and modifications to orders are only binding when they are issued or confirmed by the Client in writing. The requirement for the written form is also met by transmission by fax or email.
2. Documents used by the Client during the course of business with the Contractor, in particular invoices, must contain the order number, consignment number, factory, place of receipt, identification number, item number, complete article text/item description, quantities and quantity units, as well as a VAT number (for imports from the EU).

IV. Prices

1. The prices are fixed prices. Unless otherwise agreed in writing, prices are "DAP as per INCOTERMS 2010" including packaging, tolls, fuel, energy and as applicable dangerous goods surcharges, as well as transport insurance to the shipment address / place of use provided. Unless otherwise agreed in writing, the Contractor takes over the import duty. The Contractor strictly takes over the export duty. Any other arrangement in this respect must be explicitly noted in writing.
2. Surcharges of any type, including for unforeseen difficulties, shall only be remunerated to the Contractor on the basis of a basic wage to be agreed separately provided the Client has expressly arranged this before the start of the

works / service provision. The amount of the remuneration shall be agreed in writing in advance.

V. Order processing, use of subcontractors

1. The scope of the Contractor's services includes amongst other things transferring to the Client the ownership of all technical documents supplied (including documents from subcontractors) as well as other documents which are necessary for new production, maintenance and operation.
2. The Contractor is not entitled to transfer the execution of the order in full or in part to third parties without the advance written consent of the Client.
3. Documents of all kinds which are provided to the Contractor for the execution of the Agreement shall remain the property of the Client and may not be used by the Contractor for other purposes, duplicated or made accessible to third parties. On request they must be handed to the Client together with all copies and duplicates.
4. The ordered quantities are binding. In the event of over-delivery, the Client is entitled to refuse to accept these at the Contractor's expense.
5. Modifications or additions to the scope of delivery/service which prove necessary during the execution must immediately be reported to the Client in writing. The implementation of these measures requires the advance written consent of the Client.

VI. Quality

1. The Contractor must execute the supplies and services to be provided in accordance with this Agreement properly and professionally by the due date according to the agreed specifications, taking account of the statutory and official regulations and the recognised rules of technology.
2. In so doing the Contractor must observe all the relevant specifications which apply to the order, in particular binding specifications from the manufacturers and specifications by the classification societies concerned.

VII. Delivery periods/delivery deadlines

1. Agreed deadlines are binding. The provision of a service before the agreed date shall entitle the Client to refuse to accept the service until it is due. The Contractor must inform the Client immediately in writing of any reasons for exceeding the time limit.
2. If the Contractor does not fulfil the order within the agreed delivery period, it shall be liable in accordance with the statutory provisions. Any contractual penalty agreed pursuant to Section 1336 ABGB in the event of delivery which is delayed, is not made to the agreed place of performance or fails to comply with the Agreement, shall remain unaffected by this.

VIII. Delivery and storage

1. If a price has been agreed FCA in accordance with INCOTERMS 2010, the Client shall only take over the cheapest freight costs in each case.
2. The shipment addresses stated must be complied with. Delivery to a place of receipt other than that indicated by the Client shall not result in any transfer of risk for the Contractor even if this place accepts the delivery. The Contractor shall bear the Client's additional costs arising from the delivery to a place of receipt other than that agreed.
3. Part deliveries must be identified as such.
4. Insofar as the Contractor is entitled to the return of the necessary packaging used for the delivery, this must be clearly marked on the delivery documents. In the absence of such labelling the Client shall dispose of the packaging at the Contractor's expense; in this case the Contractor's entitlement to the return of the packaging shall expire.
5. During transport the statutory requirements must be observed, in particular the provisions of the law on the transport of dangerous goods and the applicable dangerous

goods regulations, including the respective attachments and annexes. The Contractor shall be liable for claims to compensation on the basis of non-compliance with these regulations.

6. The service provider must have the receipt of delivery confirmed in writing at the place of receipt indicated. Confirmation of receipt does not count as recognition of the proper fulfilment of the Agreement, but solely as confirmation that the goods have been received.

7. The Contractor undertakes to carry out a final goods inspection, accordingly the Client is initially only obliged to undertake a minimum inspection based on the delivery notes (identity and number of items) and in respect of damage in transit and obvious external defects. However, the legal consequences of Section 377 (2) UGB are explicitly excluded due to the Contractor's waiving any objection that the Client only reported the defects belatedly. The contracting parties agree that a period of 6 weeks is appropriate. If defects only appear and are recognisable after this period, the period of 6 weeks shall start to run when the defect is recognisable.

IX. Cancellation

1. The Client is entitled to cancel the Agreement in full or in part without providing reasons. In such an event it is obliged to pay for all deliveries and/or services supplied up to this point, and also to appropriately remunerate the material procured and work provided. Further claims by the Contractor are excluded.

2. The Client is in particular entitled without restrictions to cancel for cause if an application is made for legal insolvency proceedings in respect of the Contractor's assets, or if the Contractor ceases to make payments. The Client has the right to take over materials and/or semi-finished products on appropriate terms.

X. Invoicing, payment, payment terms, offsetting

1. The invoice must be issued complete with all the necessary details and in compliance with VAT regulations. Unless any contractual agreement has been made to the contrary, the invoice must separately show the Client's purchase order number, order number and consignment number, and it must be sent in duplicate to the invoice recipient named in the purchase order at the invoice address indicated.

2. Payments take place within 30 days with 3 % discount or within 60 days net with no deductions. The payment period starts with the first day after receipt of the invoice by the Client. The postmark in the case of crossed cheques or receipt of the payment instruction by the bank shall be decisive in determining whether payment has been made within the time limit. If a delay in processing occurs as a result of the details mentioned in Point X.1 above being missing, the time limits stated shall be extended by the period of the delay.

3. Payment does not signify any acknowledgement of terms and prices. The payment date has no influence on the Contractor's warranty and the right to submit a complaint.

4. The Contractor can only offset against claims which are undisputed or have been established as being legally binding.

5. Delivery undertaken before the agreed date shall not affect a payment period associated with this date or agreed in any other way.

XI. Claims arising from warranty for defects or warranty of title

1. The Contractor vouches that its delivery/service is of the agreed nature and fulfils the intended purpose. The warranty period is 24 months.

2. The limitation of claims under the warranty for defects starts with the complete delivery of the scope of supply and services or, if an acceptance is agreed, with such acceptance.

3. The statutory period of limitation of three years applies to claims arising from defects. For defects reported within the limitation period, the time limit ends at the earliest six months

after the defect has been rectified. The Contractor renounces the objection of late notification of claims.

4. The Contractor must remedy reported defects immediately. The Contractor shall bear the costs of rectifying the defect or the replacement delivery including all ancillary costs (e.g. freight costs). The statutory rights to rescission, reduction in price and compensation remain unaffected.

5. In the event of defective performance of contractually owed standard services which cannot be made good by being implemented at short intervals on a rotating basis, the Client can undertake a proportional reduction in the prices.

6. The Contractor shall indemnify the Client and hold it harmless in respect of liabilities for compensation as well as on the basis of the Produkthaftungsgesetz [*Product Liability Act*] when first requested, insofar as the cause lies within the Contractor's domain or area of organisation or that of its supplier.

7. At the Client's request the Contractor shall prove that it has concluded adequate product liability insurance.

XII. Place of performance, place of jurisdiction

1. The place of performance for all supplies/services is the place of receipt specified by the Client.

2. The place of jurisdiction is the Client's registered office.

XIII. Applicable law

1. All legal relations between the Client and the Contractor are governed by the law of the Republic of Austria.

2. Any judgment of the legal relations between the Client and the Contractor in accordance with the UN Convention on Contracts for the International Sale of Goods, which came into force in Austria on 1 January 1989, must be expressly mentioned in the Agreement.

3. The contractual parties agree that any disputes arising from this agreement shall be definitively decided by a senate of arbitrators at the permanent arbitration court of the Chamber of Commerce and Industry in Klagenfurt belonging to the Austrian Federal Economic Chamber in accordance with the applicable rules of arbitration.

.....

XIV. Prohibition of advertising/Confidentiality

1. The use of the Client's enquiries, purchase orders and the associated correspondence for advertising purposes requires the Client's express written consent.

2. The Contractor shall maintain confidentiality towards third parties in respect of all business processes, equipment, facilities, documents etc. belonging to the Client and its customers which become known to it in connection with its activity for the Client, including after the respective quotations have been issued or the Agreement has been executed.

It shall impose corresponding obligations upon its assistants and vicarious agents.

XVI. Data protection

1. The contracting parties are obliged to observe the statutory data protection provisions and to ensure and monitor compliance with these.