

## **Purchase Order Terms and Conditions Wöllner Austria GmbH**

### **1. Scope of Application:**

The following Purchase Order Terms and Conditions shall apply exclusively to all our purchase orders for goods and services. Terms and conditions of a supplier that are contrary to or deviating from our own Purchase Order Terms and Conditions shall not apply unless we have expressly agreed to them in writing. Our Purchase Order Terms and Conditions shall also apply if we accept goods or services from a supplier without reservation, although we are aware that the supplier's terms and conditions are contrary to or deviating from our own Purchase Order Terms and Conditions. Once we have informed a supplier of our Purchase Order Terms and Conditions same shall also apply when we place an order in the context of current business relations without making express reference to them.

### **2. Contract Conclusion:**

2.1 All agreements made by and between us and a supplier regarding the respective subject matter of the contract shall be based on our written purchase order and these Purchase Order Terms and Conditions. It is agreed between the parties that there are no other agreements or understandings between them relating to the subject matter of these Purchase Order Terms and Conditions.

2.2 The supplier shall acknowledge in writing every purchase order received.

### **3. Delivery:**

3.1 Terms of delivery or performance agreed upon shall be binding.

As soon as a supplier can see that it will not meet its delivery commitments in whole or in part, or not on time, the supplier agrees to notify us without delay, stating the reasons for such failure and the expected duration of the delay in delivery. The supplier shall bear any cost incurred by us as a result of the supplier's negligently failing to notify us or notifying us late.

3.2 If the supplier is in default of delivery, we shall have the right to assert our statutory claims. If no delivery is received upon the expiration of a reasonable period fixed by us, we shall be entitled at our discretion either to keep demanding delivery/performance, to rescind the contract and claim damages or not, to procure replacement from a third party and/or to claim damages in lieu of the delivery/performance.

3.3 We do not accept partial delivery unless expressly agreed upon.

3.4 Unless otherwise agreed upon, delivery shall be made CIP (carriage and insurance paid). Until delivery is effected to the destination / place of use as stated in the purchase order, the supplier shall bear the risk of accidental loss of the goods.

3.5 The supplier pledges and guarantees to take all measures required to ensure the safety of the supply chain.

### **4. Provisions Relating to Safety, Accident Prevention and Environmental Protection:**

4.1 The supplier shall be responsible for the delivery as carried out to comply with the applicable provisions relating to safety and accident prevention. We shall have the right to demand proof thereof. In this context, the supplier's obligations shall include, without being limited to submitting at the time of delivery the safety data sheets required pursuant to the German Ordinance on Hazardous Substances. If the supplier fails to submit such safety data sheets or submits them late or with incorrect data, this shall have the effect that the supplier insofar shall indemnify us against any and all third-party claims for damages.

4.2 The supplier shall take back packaging to the extent of the supplier's obligations pursuant to the applicable packaging ordinance.

4.3 With regard to the procurement of manufacturing equipment, machines and units that have a significant impact on our energy consumption and energy-related performance, suppliers should be aware that the energy efficiency aspect is taken into account in the evaluation of procurement contracts.

4.4 For selecting suppliers and service providers their awareness and respect for environmental and safety regulations will be taken into account.

### **5. Provisions Relating to the Act on Minimum Wages:**

We place orders exclusively on condition that the supplier fully respects the provisions on the minimum wage according to the Act on Minimum Wages (Mindestlohngesetz, MiLoG) and the supplier particularly pays a remuneration to his employees at least in the amount of the statutory minimum wage and that he respects the provisions on the due date according to the Act on Minimum Wages (MiLoG). In addition, the supplier must ensure that the provisions of the Act on Minimum Wages (MiLoG) are respected by subcontractors he may employ or by companies who supply temporary workers. We are entitled to demand further evidence and the submission of further confirmations.

### **6. Prices and Terms of Payment:**

6.1 The prices stated in a purchase order shall be fixed prices deemed to include any ancillary service necessary to perform the contract, including but not limited to costs of packaging, carriage and insurance.

6.2 The supplier shall issue its invoice upon delivery or performance, with our purchase order number and complete purchase order data to be stated on the invoice.

6.3 Terms of payment shall commence upon receipt of delivery or performance, or, in the case of a contract for work (Werkvertrag), upon acceptance of such work and receipt of a proper invoice, as the case may be.

6.4 Unless otherwise agreed upon in our purchase order, payment shall be effected either within 14 days with a 2% cash discount or without a discount within 30 days.

## **7. Warranty of Quality:**

7.1 In the case of an apparent defect in delivery/performance, we will notify the supplier in writing without delay as soon as we have identified such defect within the course of proper business operations, but no later than 14 workdays of delivery to the destination stated in our purchase order. In the case of a latent defect, the time limit for making a complaint shall be 14 days of discovery of the defect. The relevant date to determine whether or not this time limit was complied with shall be the date on which the notice for the supplier was dispatched.

7.2 We are entitled to assert any and all statutory claims for defects. If purchased goods are found to be defective, we may demand either rectification of the defect or delivery of a substitute. Such rectification or substitution is to be effected within a reasonable time period and with a minimum of inconvenience to the recipient, with due consideration to the nature of the goods and their intended purpose.

7.3 If the supplier fails to meet its obligation to rectify defects or deliver substitute goods or produce new goods, as the case may be, within a period of time fixed by us, we shall also have recourse to the statutory right to claim a reduction of the purchase price or to rescind the contract. When the timed period fixed has expired, we shall also be authorized to rectify the defect ourselves and claim reimbursement of the necessary expenses from the supplier. In all the above cases we reserve the right to assert claims for damages.

7.4 Warranty rights must be asserted in court within three years of delivery if they concern immobile goods, and within two years of delivery if they concern mobile goods. In the case of defects of title, the period begins on the day the defect first becomes known to the purchaser. The recipient may assert warranty rights by objection if he notifies the consigner of the defect within the appropriate time period.

## **8. Third Party Rights:**

The supplier represents and warrants that use of the purchased goods in accordance with the contract does not infringe on any third-party rights. In case of infringement, the supplier shall indemnify us against any and all third-party claims brought forward against us and bear the costs incurred, including but not limited to the costs of settlements out of court and/or in court.

## **9. Product Liability:**

9.1 The supplier shall indemnify us against any and all third-party claims based on non-contractual product liability arising from defects of goods purchased from the supplier. The supplier shall reimburse us for expenses and costs incurred through or as a result of necessary action, e.g. public warnings or recall actions. We shall notify the supplier of any such action taken without delay.

9.2 The supplier undertakes to maintain a product liability insurance with reasonable coverage and to submit proof of such insurance coverage upon our request.

## **10. Obligation of Secrecy:**

The supplier agrees to treat all information, experience or data of any kind that is not public knowledge and relates to our enterprise or business operations, including but not limited to information, experience or data relating to our customers, products, production facilities or procedures, contractual relations, business or technical information, strictly confidential and not to disclose them to any third party without our prior consent.

## **11. Force Majeure:**

11.1 In cases of force majeure or unforeseeable interruption of operations caused for instance by strike or lock-out, short raw material or energy supply, natural disaster, or other events beyond the control of either party, the parties shall be discharged from their obligations to perform their respective contractual duties for the duration of the interruption and to the extent of their respective effect. The parties shall notify the respective other party as required in this context and adjust its obligations in line with the changed situation.

11.2 In the event that we can no longer make use of the delivery/performance due to the delay caused by force majeure or unforeseeable interruption of operations, we shall be discharged in whole or in part from the obligation to accept the delivery/performance ordered and may insofar rescind the contract. Insofar, the supplier shall have no claim for damages. If any such event causing delay in delivery lasts for more than 2 months, either party shall have the right to rescind the contract.

## **12. Governing Law, Interpretation of Provisions:**

12.1 Should any provision of these Purchase Order Terms and Conditions be invalid or void, such invalidity or voidness shall not affect the validity of the remaining provisions hereof. The parties shall replace any invalid or void provision by one that comes closest in its economic significance to the invalid or void provision.

12.2 Any modification of or supplement to these Purchase Order Terms and Conditions shall be in writing.

12.3 These Purchase Order Terms and Conditions shall be subject to Austrian law. The applicability of the United Nations Convention on Contracts for the International Sale of Goods shall be expressly excluded.

12.4 Usual trade terms shall be construed in line with the Incoterms as amended.

## **13. Place of Performance and Jurisdiction:**

13.1 The destination stated by us in our purchase order shall be the place of performance and delivery.

13.2 The courts of Graz shall have exclusive jurisdiction over all disputes arising from or in connection with a contractual relationship to which these Purchase Order Terms and Conditions apply, unless another exclusive place of jurisdiction is prescribed by law. Wöllner Austria GmbH may take any action in or out of court also at the supplier's place of general jurisdiction.