

GENERAL TERMS AND CONDITIONS OF PURCHASE

of Rupert Fertinger GmbH (referred to as "RF") (version: 03/2018)

§ 1. BASIC PROVISIONS

These General Terms and Conditions of Purchase of RF (subsequently referred to as "the Conditions" or "these Conditions") provide binding regulations concerning the relationships formed during the purchase of goods by RF from SUPPLIERS. The rights and obligations of RF and of the SUPPLIER when delivering goods to RF shall also follow "these Conditions" even if the delivery conditions or other business conditions of the SUPPLIER exclude the use of "these Conditions".

The conditions of the SUPPLIER shall be deemed as recognised only in the case of an explicit, written declaration by RF, subject to this written declaration being made before the supplier provides RF with confirmation of its order.

Deviations may be made to these Conditions only in the case of an explicit, written agreement between RF and the SUPPLIER.

§ 2. ORDERING, CONFIRMATION

2.1. Supply contracts

Supply contracts (order and acceptance) and delivery schedules as well as their amendments and supplements must be made in writing. Orders, their acceptance and release orders can also be made by remote transmission. All orders placed by RF shall be made on condition of acceptance of "these Conditions".

2.2. Forecast / frame orders

For frame orders, the delivery obligation shall come into existence upon receipt of the order, if the order is within the range of volumes stated in the forecast. Nevertheless, the order must be immediately confirmed upon receipt. For quantities exceeding those stated in the forecast, the delivery obligation of the SUPPLIER shall come into existence upon confirmation of the order or within 3 days of receipt of the order, if the order has not been rejected by the supplier within three days.

2.3. Call-off orders must be confirmed in writing within 3 working days. RF can recant an individual order if the supplier does not promptly confirm the agreed standard delivery times. The orderer may cancel call-off orders without charge and without stating the reasons for this up to 4 weeks before the delivery date.

2.4. The acceptance of RF's order by the SUPPLIER shall create a contract between RF and the SUPPLIER, whose content is defined by the relevant order of RF and "these Conditions". If the order deviates from "these Conditions", the order shall take precedence.

§ 3. DELIVERY DATE AND DELIVERY PERIODS

Delivery dates and delivery periods are fixed and binding.

The goods must be received at the defined receiving office by no later than the confirmed delivery date. The supplier shall deliver with an accuracy of -3/0 working days. If the agreed delivery date cannot be complied with for whatever reasons, RF must be immediately informed in writing of this fact and the decision for further proceeding obtained from RF.

The supplier shall make every possible effort to implement release orders which are shorter than the ones agreed with RF on a case-by-case basis.

§ 4. DELIVERY QUALITY, PERFORMANCE AND QUANTITY

4.1. Delivery

The delivered goods must correspond precisely to the quality and performance conditions specified in the order. The quality and performance conditions can be defined in the order by referring to the relevant standards (e.g. DIN, ENORM, operating standard), catalogues, and/or drawings. For the purpose of assessing the quality of the goods, the version or copy valid on the day that RF issues the order shall be decisive. The supplier undertakes to supply RF, without being requested to do so by RF, with all documents, instructions, drawings and other documentation required for the proper use (set-up, handling, etc.) of the goods along with the delivery of the goods.

4.2. Quality

If the quality or performance of the goods is not defined in detail in the order, the supplier shall be obligated to supply the goods in such a quality and performance as is suitable for the purpose specified in the order or, if this purpose is not specified in the order, in such a quality and performance as is suitable for the purpose for which such goods are normally used. The supplied goods must meet all valid safety regulations and the accepted rules of technology as well as all provisions of EU law (directives, regulations, standards, etc.) and the provisions of the destination country of the end product. The delivery must also include the relevant declaration of conformity of the destination country.

4.3. Certificate

If material test certificates are requested in the order, these must be available at the time of delivery to RF. Otherwise, RF is entitled to deduct a processing fee of €150.00 from the invoice of the SUPPLIER for the resulting additional work and expenses to RF.

4.4. Special Agreements

If a separate agreement concerning quality has been made between RF and the relevant SUPPLIER, the supplier must comply with the quality requirements resulting from such an agreement as well as the quality requirements resulting from these Conditions. The order as per the accepted order must not be subcontracted in whole or in part to a subsupplier of the SUPPLIER without the prior written consent of RF.

4.5. Defects

RF shall notify the SUPPLIER immediately in writing of any defects with the delivery as soon as they are discovered in accordance with the circumstances of a proper business transaction. In this respect, the supplier shall waive its right to any objection to the delayed notification of defects.

4.6. Guarantee

The supplier guarantees to ensure the material procurement for the products according to the rolling forecast.

The supplier guarantees that it will keep a sufficient safety stock based on the annual negotiations. The exact quantity shall be agreed on an ongoing basis with the purchase department of the orderer.

Should a product be discontinued for production-related or other reasons, RF shall be informed of this in writing at least 12 months in advance.

At the request of RF, the supplier shall accept amendments relating to consignment stock or other logistics agreements.

§ 5. PLACE OF FULFILMENT, DAMAGE, PRICE OF DELIVERY, PACKAGING

5.1. The place of fulfilment shall be the delivery location agreed in the relevant order or in an agreement made in writing between RF and the SUPPLIER. DDP named place shall apply, as per INCOTERMS® 2010 unless agreed otherwise.

5.2. The supplier shall bear the risk of damage to the delivered goods and all costs incurred – such as transportation and customs costs – specifically including the insurance premium for appropriate transport insurance, until the point at which the goods are accepted by RF at the place of fulfilment, even if the supplier is obligated to hand the goods to a carrier for the purpose of their delivery to RF.

5.3. The price is a fixed price, unless agreed otherwise between the contracting parties. The price of the delivered goods includes, specifically, the packaging of the goods, the delivery of the goods to the place of fulfilment, including any customs costs, and the unloading of the goods.

5.4. The delivered goods must be properly and professionally packaged and furnished for transportation in compliance with the requirements defined in the order. If the order does not specify how the goods should be packed or furnished for transportation, then the supplier undertakes to package and furnish for transportation the goods in the customary manner for such goods or, if this cannot be defined, to package and furnish for transportation the goods in a way required to maintain and protect the goods.

The supplier shall be liable for any damage which RF incurs due to improper packaging, unless the packaging was specified by RF.

§ 6. PAYMENT TERMS

The prices stated in the order shall apply. The payment shall take place – unless agreed otherwise – within 30 days after fault-free, complete delivery with a 3% discount, within 45 days with a 2% discount or within 60 days net. The Supplier agrees to effect invoicing in the form of collective monthly invoices.

To guarantee the competitive ability of RF, the supplier shall guarantee to keep stable the agreed prices for products, which are not being negotiated, for at least 24 months. Price cuts should be sought. The shared objective is to reduce costs.

§ 7. INVOICE AND DELIVERY NOTES

The invoice for the delivered goods and the delivery note of the SUPPLIER must contain the order number, the date of order and exact details about the delivered goods (description of the quantity and type) and correspond to all statutory, specifically all pertinent fiscal, regulations. The order number of RF must be indicated on the invoice and delivery note of the SUPPLIER.

The invoice must be delivered to RF in duplicate.

An invoice that does not correspond to these Conditions shall be returned without payment by RF to the SUPPLIER, without the supplier being able to claim any penalties from its return.

§ 8. DATE OF EXECUTION, DEFAULT

The delivery dates and delivery periods agreed between RF and the SUPPLIER are binding and fixed as per § 3. The goods shall be deemed to have been delivered on time only if they arrive at the agreed place of fulfilment no later than on the last day of the delivery period or deadline. Otherwise, the supplier shall be deemed to be in default.

In case of default by the SUPPLIER, irrespective of the cause, RF shall be entitled to:

- Request a redelivery by the SUPPLIER, stipulating an appropriate grace period or
- Cancel all or part of the specific delivery without stipulating a grace period and, where applicable, request substitute performance at the expense of the SUPPLIER.

In case of repeated default of the subsequent delivery or improvement, RF shall be entitled to terminate the entire order or part thereof with immediate effect. The right to claim for any further compensation shall remain unaffected by this. Acceptance of a delayed delivery or service shall not signify any waiving of claims for compensation.

§ 9. INSURANCE

The SUPPLIER undertakes to take out product liability insurance with a limit of liability appropriate to the risks of the field of use including recall costs for all deliveries and services performed by it and to maintain this for the duration of the delivery/service. The SUPPLIER shall submit written confirmation from the insurer to provide evidence of the insurance policy upon conclusion of the contract. The SUPPLIER undertakes to immediately notify RF of any changes to the insurance situation, specifically the discontinuation of the insurance policies. Claims brought by RF against the SUPPLIER shall be remain independent of the above insurance and the insurance sums agreed therein in terms of reason and amount. In addition, the SUPPLIER must insure the goods being supplied against the usual risks, such as fire, theft, transportation and damage, at its own expense until the point of delivery.

§ 10. PAYMENT AND NON-ASSIGNMENT CLAUSE

The deadline for payment of the purchase price by RF shall begin upon receipt of the proper invoice as per § 7 of these Conditions by RF or upon receipt of the goods by RF, if this occurs later.

By paying the invoice, RF is neither recognising the proper and fault-free execution of the delivery nor waiving the right to make any claims for compensation or other claims arising for RF as a result of the defective delivery.

Assignment of accounts receivable from deliveries of goods shall only be valid for RF after prior, written approval.

§ 11. NON-DISCLOSURE

The supplier and RF undertake to confidentiality treat all non-evident, specifically commercial and technical information, documents, experiences and knowledge of the other party which they obtain or become aware of due to the business relationship, to use said information, documents, experiences and knowledge only for the purposes of executing the individual orders, and to return these immediately and without request at the end of this contract. The supplier undertakes to agree these conditions in writing with its sub-suppliers. This agreement shall apply beyond the term of the contract.

§ 12. THIRD-PARTY RIGHTS

The goods supplied to RF must not be burdened with any security interests or other third-party rights of any kind. In the case of a violation of the obligation of the SUPPLIER according to the above clause, RF shall be entitled to consider the entire delivery to be defective and to request immediate delivery of fault-free goods. By attaching the rights as per the second Clause of this § 12, the claims of RF to compensation and other claims according to the legal provisions and/or "this Condition" shall remain unaffected, specifically in accordance with § 14.

§ 13. ACCEPTANCE

Self-checking shall be agreed with the SUPPLIER. RF shall not be obligated to carry out any incoming inspection. RF shall not be subject to any testing obligation or obligation to give immediate notice of defects according to § 377 HGB [German Commercial Code]. Confirmation on a document of the SUPPLIER about the acceptance of the goods shall in no way be deemed confirmation of the quality, flawlessness and completeness.

§ 14. LIABILITY FOR DEFECTS

14.1. Guarantee

The supplier shall guarantee and provide assurance for the duration of 36 months that the products supplied are designed professionally and in line with the specification and correspond to the relevant state of technology and all pertinent technical and legal standards relating to this at the time of delivery and that the use of this product by RF does not violate any third-party rights and that the products shall retain these properties for a period of 36 months.

14.2. Changes

The SUPPLIER must inform RF of any planned changes to the materials, production methods, vendor parts, datasheets and other documents concerning the supplied products. Changes during ongoing orders shall only be permitted with the written approval of RF.

14.3. CoC

If agreed with RF, a Certificate of Conformance (COC) to the technical standards and applicable safety regulations and a COC to the applied workmanship standards must be attached to the delivery documents. Each COC must contain the order number.

14.4. Defects

The supplier shall immediately inform RF of any arising problems which could affect the reliability, processability or applicability of the contractual products. Losses or expenditure which RF incurs due to non-compliance with this reporting requirement shall be borne by the supplier.

If faults occur in at least 3% of the supplied component type ("serial defects"), the supplier shall redeliver all components of the affected series and shall reimburse RF all expenditure arising from this.

RF is entitled to immediately notify the SUPPLIER in writing of all defects to the delivery as soon as they are identified.

14.5. Completeness

In case of the delivery of incomplete or defective goods, RF shall be entitled to choose from the following options: – To demand improvement or redelivery by the SUPPLIER, stipulating an appropriate grace period or – To withdraw wholly or in part from the contract without stipulating a grace period, as well as returning the delivery at the SUPPLIER's risk and expense and, where applicable, demanding the performance of defect rectification – by RF itself or by a third party – at the expense of the SUPPLIER. If the same goods are delivered again in a deficient state, RF shall be entitled to cancel the order of the incomplete or defective goods with immediate effect. Claims for incomplete or defective goods include all further costs, specifically including testing, transportation, road, labour and material costs.

14.6. Liability

The liability of the SUPPLIER for defects of the goods that are rectified by RF or a third party shall remain unchanged. If a third party makes a claim against RF for defects of goods supplied to RF by the SUPPLIER, then the supplier shall be obligated to ensure that RF does not incur any disadvantage, whether it in the form of lost profit, consequential damages of any kind or otherwise, which could arise as a result, and - should RF incur such a disadvantage - then the SUPPLIER undertakes to reimburse this disadvantage. In order to fulfil its obligation as per the previous clause, the supplier shall be specifically obligated to submit to RF in due course all necessary information, documents and other items to effectively support RF in negotiations and any dispute with the relevant third party and to reimburse RF all costs which RF incurs due to the bringing of such a claim by the third party.

§ 15. COMPENSATION FOR DAMAGES

Damages to RF, which arise through the defective services of the SUPPLIER or through the culpable violation of its contractual obligations, must be reimbursed by the supplier in accordance with statutory conditions.

The SUPPLIER shall pay all costs of RF's legal defence including all legal and out-of-court costs. The same shall apply for costs of administrative and penal defence measures, if and insofar as RF has no personal responsibility.

The SUPPLIER undertakes to reimburse RF for all damages and other property losses that arise in connection with the enforcement of a claim by a third party or otherwise in direct or indirect connection with the regulations concerning damages (product liability) caused by a fault of the product, in connection with the goods delivered by the SUPPLIER to RF. Specifically, the SUPPLIER shall be responsible for damages as per the pertinent provisions of EU law. This obligation relates to damages caused by death, physical injury and damage or destruction of an item other than the defective product, as well as damages arising through a possible withdrawal of the defective products from circulation. Any loss of profits and any – also contractual – claim by third parties against RF which have been caused, even indirectly, by the SUPPLIER must also be reimbursed.

The SUPPLIER undertakes to know and comply with all relevant, particularly European and national product safety regulations and to comply with all safety requirements for putting products into circulation and to reimburse all damages caused by non-compliance with product safety regulations.

If the supplier belatedly obtains information about circumstances that could lead to the occurrence of a claim from the title of product liability relating to the goods delivered to RF, then it undertakes to inform RF about this without delay. The obligations of the SUPPLIER as per the specific conditions of this § 15 shall remain unaffected by the fulfilment of the obligation as per the previous clause.

The obligations of the SUPPLIER as per point 15.5 also relate to cases if a third party makes a claim from the title of product liability. Particularly in terms of disputes arising from this title, the SUPPLIER is required to promptly provide RF with all evidence and to effectively support RF otherwise and to reimburse RF all costs connected with the management of such procedures.

The SUPPLIER shall be liable for measures of RF or the customer of RF to prevent damage (e.g. recall campaign) if it is legally obligated to do so.

§ 16. PRODUCTION RECORDS, INTELLECTUAL PROPERTY

Drawings, prototypes, models and other resources that RF provides to the SUPPLIER for the purpose of fulfilling its order, shall remain the property of RF, to which it shall have free access at any time. The SUPPLIER undertakes to keep these confidential and only to use them in compliance with the purpose of their provision as per the previous clause and to dispose of them such that it does not put RF at risk of third parties possibly bringing claims from patents, utility models, topographies, trademarks, copyrights or other intellectual property or unfair competition.

The SUPPLIER warrants to RF that the delivery of the goods as per these Conditions and the use of these goods by RF or its consumers shall not lead to any violation of rights from patents, utility models, topographies, trademarks, copyrights or other intellectual property or lead to violation of the regulations on unfair competition.

§ 17. APPLICABLE LAW AND JURISDICTION

Austrian substantive law shall apply to all legal relationships arising from these Conditions. Relevant legal conditions, which contradict these Conditions or the contract, which forms part of these Conditions, shall not be applied.

All legal disputes between RF and the SUPPLIER or their legal successors resulting from the contractual relationships, which are regulated at least partly by these Conditions or are connected to them, including the question of development, validity, interpretation or dissolution of said contract, shall be settled by the ordinary Austrian courts of law. The SUPPLIER and RF hereby agree the exclusive jurisdiction of the materially competent court in Vienna. At RF's option, a suit against the SUPPLIER can also be filed at the competent local court for the headquarters of RF or the SUPPLIER.

§ 18. GENERAL INFORMATION

18.1. In the case of the SUPPLIER's bankruptcy or at the start of judicial or out-of-court Austrian or foreign insolvency proceedings concerning a not insubstantial part of the SUPPLIER's assets, RF shall be entitled to withdraw from the unfulfilled part of the contract.

18.2. By signing these Conditions, the SUPPLIER hereby explicitly confirms that it has carefully read these Conditions, that it is in agreement with their entire content and that it acknowledges the validity and liability of these Conditions for all orders of RF and contracts concluded between it and RF, which are or have been concluded on the basis of such orders. These conditions shall also apply in the case of contrary or contradictory comments in the delivery conditions of the SUPPLIER.

18.3. Should individual conditions of these Conditions be or become wholly or partially invalid or should an omission appear in these Conditions, then this shall not affect the validity of the other conditions. The invalid condition shall be replaced with an acceptable condition in accordance with the law which most closely approximates the sense and purpose of the invalid condition. In case of an omission, the parties shall agree a valid condition that corresponds to what would have been the intended sense and purpose of these Conditions had this matter been considered beforehand.