

## Terms of Business of ceATec Engineering GmbH

**SCOPE OF APPLICATION:** All present and future purchases are made exclusively on the basis (and subject to reservation) of the application of these Terms of Business. Furthermore, our purchases shall be governed by our order. Orders are valid if issued in writing, by email or by fax. Verbal orders or those issued by telephone may only be accepted subject to our order number, and shall only be binding upon ourselves once we have confirmed them by the subsequent issuance of a written order. Confirmation of the order must be sent to us within 8 days in the form of our signed copy of the order. If no confirmation of the order is received within that timeframe we then regard our order as having been approved and accepted by the Supplier. The validity of any deviations from our order – particularly in the form of the sending of differing terms of sale – shall be exclusively dependent on our written acknowledgment

**PRODUCTION DOCUMENTATION:** Any drawings, specimens and other documents that we furnish must in all cases be compared with the text of the order. If any discrepancies are not indicated by the time of confirmation of the order – at latest – then they shall be deemed the Supplier's responsibility. We retain sole intellectual ownership over drawings and any other documents which we have furnished, and they may be utilised only for the agreed purpose, may not be forwarded to any third parties and must – unless otherwise agreed – be returned to ourselves free of charge once the order has been completed.

**DELIVERY PERIODS** as per our order must be regarded as fixed deadlines; they shall start to run as from the date of the order. The goods must reach our stipulated place of delivery within the delivery deadline or on the delivery deadline date itself. If any delivery periods or deadlines are overshot, we shall be entitled to decline acceptance of the goods or to send back the delivered goods promptly and without any obligation upon ourselves to set a fresh deadline or to declare withdrawal. In the case of services which are to be provided by our trading partner under framework agreements, we are entitled – in the event of the overshooting of delivery periods or deadlines concerning a part-delivery – to decline acceptance of the goods or to send back the delivered goods promptly and without any obligation upon ourselves to set a fresh deadline or to declare withdrawal from the framework agreement. In that event, the entirety of the service shall be deemed one indivisible whole. However, we shall also be entitled to accept goods that were delivered late. In that event, the Supplier shall be obliged to pay a contractual penalty of 1% of the net order value per week or part-week, up to a maximum of 10% of the net order value. This does not affect the matter of any further compensation claim. We shall be entitled – but not obliged – to accept delivery of part-deliveries or of premature deliveries, but it shall not be possible in that event to derive any claim for part-payment prior to delivery in full, nor any claim for premature payment. No delivery obligation is deemed fulfilled until the service as a whole has been provided in full, even in the case of a divisible service, and even if we have been presented with all of the documents, plans etc. that we requested or needed. The Supplier – irrespective of whether it is the manufacturer or a trader - is under obligation to apply adequate quality and quantity control to the goods for supply, before they are dispatched and (in all cases) with the aid of retained experts. In that event, the Supplier may not invoke the absence of any complaint from us. The Supplier shall be under obligation to send us works certificates, reports concerning quality controls, certificates of origin or other quality certificates which we may have stipulated, should we request them, but no later - in any event – than by the date of invoicing.

**DELIVERY** is to be conducted free of charge to ourselves, and at the Supplier's expense and risk, to our works in Eberschwang, unless we have issued an express written stipulation of a different place of delivery. If we are required (in an exceptional case) to pay the cost of carriage, then the Supplier must opt for the mode of transportation which we have stipulated or otherwise – depending on the case – the mode of transportation and delivery most favourable to ourselves. The cost of packing must be included in the price. If – in an exceptional instance – any other arrangement is agreed upon, then packing must be charged at the direct cost price. In any event, the Supplier must select the packing and must ensure that the packing protects the goods from any damage, from loss and from theft in transit. In the case of returns of packing material, the full amount of the sum charged must be credited back; return transportation shall be charged for. The Supplier must pay a contribution to the costs of disposal for packaging. The Supplier accepts the obligation to provide us with three days' advance notice of the delivery of the goods. All consignments of goods must be accompanied by the bill of lading and the delivery note. The following items must also be included, in the case of goods that are subject to Customs controls and which are sent from other countries in the EU: Invoice (in triplicate) and, where applicable, a declaration of origin on the invoice or on the movement certificate compliant with limit values applicable under Customs regulations. Our order number must be stated on all dispatch notes. Costs which we incur due to the absence of (or incorrectly issued) dispatch notes and Customs documents shall be chargeable to the Supplier.

**GUARANTEE:** Unless expressly agreed otherwise, the guarantee period shall be 24 months as from receipt in respect of movable items, or five years in respect of immovable property. The same timeframe shall apply to items used in multi-shift working. If our guarantee obligation relating to our own customer is still in force, then the corresponding period shall be extended accordingly. The date of receipt of the final part-delivery shall be taken as the date of acceptance, or, in the case of goods which we have installed ourselves: the date of acceptance by our customer. The limiting period for the pursuit of the right of recourse in Court shall be one year. If any deficiencies are found, then we shall hold the option, at our own discretion, of cancellation, reduction in charge, rectification, replacement or compensation. In the case of generic goods, the presence of deficiencies as determined on a random-test basis shall constitute justification for guarantee and compensation claims affecting the consignment as a whole. In that event, the entirety of the goods must be replaced free of charge if we have already supplied the goods on to third parties. Should we request rectification or the making-good of the deficiency, the Supplier must bring this about promptly, such that in cases where no delay can be accepted it is possible to require immediate rectification of the deficiencies; or otherwise a maximum extension of two weeks to the deadline may be given. In the event of delay in compliance, and where hazard would arise upon delay, then we ourselves may implement rectifications at the Supplier's expense or may have the deficiencies rectified by third parties at the Supplier's expense. None of the Supplier's other guarantee obligations are suspended due to the above-described actions. The guarantee period for rectified or replaced goods – or portions of the same – shall re-commence with effect from the date of successful repair or successful rectification. Irrespective of the above, the Supplier must compensate us to the value of the loss actually occurring plus the loss of profit. If any third party, such as – for example – our customer – should present compensation claims on the grounds of deficient or late delivery, then the Supplier undertakes to hold us free of loss or blame in the matter if the loss was caused by the deficient delivery; and the same shall apply to the entirety of the loss, even if several causes of loss have coincided. Our loss also includes all of the expenditures which we incur either in Court or extrajudicially in connection with the ascertainment of the loss, the remedy for the loss and the substantiation of the loss. This shall also be held to include the commissioning of expert opinions. The Supplier's guarantee and compensation obligation is not reduced by the fact of the goods' having been handled, processed and sold on. The Supplier undertakes to pay compensation for deficiencies and for losses consequential upon the deficiencies. In no event is the exclusion of our compensation claims, in an instance of moderate negligence, either permissible or effective in relation to us. The Supplier is obliged to provide the Client with adequate details of the switching-on and operation of supplied plant, machinery, apparatus and/or components of the same, and – in particular – to supply the Client with adequate documentation and identification of components with regard to their utilisation, permissible electrical connection values, temperature, pressure loadings etc.

**DIRECT RESPONSIBILITY TO ASCERTAIN DETAILS:** The Supplier is directly responsible for ascertaining all of the details of orders and all details of the tasks entailed. The Supplier must make certain of procuring all of the necessary requisites at the worksite. The Supplier shall be chargeable for any errors arising as the result of the Supplier's failure to fulfil these obligations.

**PRODUCT LIABILITY:** The Supplier assures – in respect of itself and of its corporate successors - that it fulfils the latest applicable standards. In particular, it is answerable for ascertaining that - at the time of the launch of the product - no faults have been detected in respect of it in the light of leading scientific and technical standards. The Supplier undertakes – in respect of itself and of its corporate successors – to monitor the product; and must notify the Client immediately if the product should subsequently develop any dangerous characteristics. The Supplier undertakes to hold the Client exempt from loss and from blame in the event that it should be claimed against. The Supplier undertakes to indicate – upon the Client's request at any time, and in any event no later than simultaneous with the delivery of the product - the names of the manufacturer or of the importer; and the Supplier also undertakes to bind over its own Suppliers to accept liability as determined by the statutory provisions of law. For any compensation obligations arising, the Supplier must secure adequate cover by negotiating an insurance policy or by adopting any other suitable precautions. The Supplier assures – in respect of itself and of its corporate successors - that the product fulfils the latest applicable standards.

**PRICES:** The prices indicated in the order are fixed prices unless otherwise agreed in writing.

**WE SHALL MAKE PAYMENT** unless otherwise agreed following receipt of problem-free goods delivered in full and at 14 days from invoice subject to 3% discount or net at 30 days. The timeframes by which discounts are defined are not affected by any chronological delays arising due to incorrect invoices or those which are incomplete. We shall bear the payment transfer charges levied by our Company's regular bank, and all other charges shall be borne by the Supplier. Payments are made exclusively to the Supplier. Our payment is deemed to have been made upon our transfer order to the bank; or on the date of dispatch of cheques and drafts in the case of paper payment. If we hold any counterclaims, then we shall be entitled to withhold a corresponding amount from the respective payments, or to apply offset. In all cases the Supplier is required to provide service or deliveries in advance. The Supplier holds no right to raise doubts as to financial solvency or to claim retention of the goods on whatsoever grounds. The Supplier is not entitled to offset our claims against its own claims, irrespective of the basis for (or context of) its claims.

**PROTECTED RIGHTS:** The Supplier is answerable for ensuring that neither its supplies nor our disposal of the same will infringe any patents or other third-party protected rights. The Supplier shall hold us and our customers exempt from any claims that may arise from the utilisation of such protected rights.

**FORCE MAJEURE:** War, civil war, export restrictions and/or trade restrictions arising due to a change in political circumstances, together with strikes, lockouts, industrial unrest, operating restrictions and any other events which make it impossible or unreasonable for us to fulfil the Agreement shall be deemed to constitute force majeure and shall exonerate us – for as long as such circumstances prevail – from the obligation for prompt acceptance. The Parties are under obligation to report such situations to each other and to adapt the applicable obligations to the changes in circumstances, in good faith.

**PROHIBITION UPON ASSIGNMENT:** The Supplier is not entitled to assign (to any third parties) any claims which it holds against us. We do not acknowledge any reservation-of-ownership clauses which extend to the assignment of claims, to the assignment of financial balances and to the acquisition of shared ownership.

**CUSTODIAL RESPONSIBILITY, OWNERSHIP:** Furnished items remain our property. As such, they must be kept separate, and may be utilised only for the purposes of our order. Even if the Supplier was not culpable, it will still be held liable for any reduction in value or for loss. Articles which have been manufactured with items furnished by ourselves are still our property in their respective processed condition at the time. The Supplier's status is that of the custodian of such articles on our behalf; the purchase price includes the charges for storage of any articles and materials retained on our behalf.

**CONFIDENTIALITY:** The Parties to contract undertake to observe strict secrecy in respect of all information arising from the collaboration being the subject of this Agreement, to the extent that such information is not public knowledge, that it was not acquired legitimately from third parties or that it was not produced independently by third parties; and exclusively for the purposes of this Agreement. Protected information includes, in particular, technical details, quantities purchased, prices and information concerning products and product developments, concerning present and future research & development projects and concerning all of the corporate details of the other Party to the Agreement. The Supplier is furthermore obliged to observe strict secrecy concerning all illustrations, drawings, calculations and other documentation, and to disclose them to any third parties only by our express consent; unless the information contained is already generally known.

**PLACE OF FULFILMENT** – for deliveries: the delivery address stipulated in our orders; for payments: our head office. The materially competent Court of A-4910 Ried im Innkreis has been agreed upon as the jurisdiction competent to rule upon all disputes arising either indirectly or directly from the Agreement. However, we may also file action with any other Court that may be competent in respect of the Supplier. The Parties may also agree to hold a Court of arbitration competent. This Agreement is subject to Austrian law, to the exclusion of UN commercial law.