

The following purchasing conditions apply to orders made by the ORD if no other written agreement has been made. Commercial conditions of the CON only apply if the ORD agrees to them in written form. These purchasing conditions also apply to all future supply and service relationships between the ORD and the CON. They are valid not just for the CON but also for its successor.

The following abbreviations are used in the general purchasing conditions and are to be understood as follows:

ORD = Ordering party (GIPRO GmbH) or its authorized representative

CON = Contractor (supplier or provider of other services) or its authorized representative.

1 Ordering and Acceptance

- 1.1 Orders and agreements are binding only in written form. Any changes or additions to orders must be confirmed in written form by the ORD.
- 1.2 Acceptance of an order made by the ORD is made legally binding by an official company confirmation of the order, which must be returned within five days of receiving the order.
- 1.3 Any objections to the order by the CON must be communicated in written form to the ORD within five days of receiving the order. If the objections by the CON are accepted by the ORD, then the ORD will issue a written confirmation to the CON describing the permitted adjustments. Without this written confirmation, the CON has no right to have any adjustments made to the order.
- 1.4 The above condition is not changed even if the CON returns an order confirmation that contains adjustments to the written order. If there is a dispute, the following order of precedence applies:
 - The order itself
 - The record of negotiations
 - These purchasing conditions
 - All typical and relevant norms and regulations for the purchase to be delivered, even if they are not explicitly mentioned
 - The technical specifications and standards of the ORD
 - The confirmation of the order by the CON

2 Supply Deadline

- 2.1 Agreed upon supply dates and deadlines are binding. If nothing else has been explicitly agreed upon, then all deadlines stated in the order are fixed deadlines. Compliance with the delivery deadlines means timely arrival of the delivery at the designated destination.
- 2.2 If the CON sees that delivery by the deadline is partially or entirely impossible, it must, giving reasons, immediately communicate this, as well as the expected delay time, in written form to the ORD.
- 2.3 If the ORD, due to the delay, in turn has its own delay in delivery, it reserves the right to pass on the costs incurred to the CON.
- 2.4 If the expected delay is more than 20 calendar days, the ORD has the right to partially or completely withdraw from the contract and demand compensation for damages.
- 2.5 Also, if there is an unforeseeable but actually occurring delay in delivery of over 20 calendar days, the ORD has the right to demand compensation for damages in the amount of the actual damages.
- 2.6 Partial deliveries are only admissible if the ORD agrees to them in written form and if they do not cause the ORD to incur an increase in costs.

3 Disclosure by CON

- 3.1 If there is a change in materials or subcontracted parts for the products, if there is a change in the manufacturing process, relocation of manufacturing locations, or a change in the testing procedures of products or in any other quality assurance measures, the CON will inform the ORD in such a way that it has enough time to check if the change could have any potential negative effects.
- 3.2 Third parties that the CON is using to fulfill its obligations to the ORD are obligated in the same way as described above. Commissioning of sub-suppliers by the CON must be disclosed to the ORD.
- 3.3 The CON must also report any change in its subcontractors or service providers when supplying the ORD with products. If the potential for negative effects cannot be eliminated, the CON will safeguard a supply with unchanged parts for the ORD until the ORD has found an alternative solution.
- 3.4 If the CON cannot guarantee this, the ORD has the right to withdraw from the contract and to procure cover. In this case the CON pays for all proven additional costs due to the procurement of cover.

4 Delivery and Acceptance

- 4.1 Every delivery must include shipping notes and packing lists that include the order number of the ORD as well as the amount and the identifier (tag/code number). (The packing list serves as specification of the shipping note regarding how the goods are packed. If the goods of a shipping note are distributed among more than one package, container, etc., then using the packing list it is possible to see which product is in which package. At the same time the package is specified as such, for example by weight, size, etc.).
- 4.2 If the delivery address is not the same as the address of the ORD (billing address), then at the time of delivery the CON must send a copy of the shipping note by e-mail directly to the address of the ORD.
- 4.3 The invoice must be separately (per order and not per delivery) sent as a single copy after properly completed delivery to the address of the ORD (GIPRO GmbH; Wilhelm-Jentsch-Straße 2; A-8120 Peggau).
- 4.4 Until receipt by the ORD of the proper delivery and shipping papers, as well as verification documents (e.g., 3.1 certificates) and the complete set of expected documentation, the CON has not fulfilled its obligations for the delivery. Until the CON has completely fulfilled its delivery obligations as described here, it does not have the right to submit an invoice (or partial invoice).
- 4.5 Until point 4.3 is fulfilled, the ORD has the right to store the received delivery at the cost and risk of the supplier.

5 Pricing and Payment Terms

- 5.1 Prices are fixed prices that include packing and shipping costs, unless stated otherwise in the order.
- 5.2 All payments are made with the reservation of all rights with respect to any defects. If the delivered products are defective, the ORD has the right to refuse payment until the defect is eliminated. The agreed upon period allowed for payment begins only after the defect is eliminated.
- 5.3 Payments do not imply recognition of fulfillment or waiving of warranty or compensation for damages. The same applies for a receipt of delivery from the ORD.
- 5.4 Payment is made only if the CON has submitted a written invoice, which must fulfill legal requirements, in particular the Value Added Tax Act. A copy of the invoice must be provided with the shipping documents.
- 5.5 If no other agreement has been made, payment is made according to the preference of the ORD either within 14 days with a 3 % trade discount, or within 30 days with a 2 % trade discount, or within 60 days net after receiving the invoice and the delivery. Invoices that are erroneous, incomplete, or which otherwise do not comply with these conditions, do not trigger the start of the period allowed for payment. Reports of defects and/or compensation claims can also be made or applied after correction of the invoice.

6 Shipping and Handling

- 6.1 Shipping is done strictly without fees for the ORD and entirely at the cost and risk of the CON.
- 6.2 The products being delivered must be packed in such a way that they remain undamaged by any foreseeable difficulties during transport. In particular, weather conditions and the particular qualities of the materials must be taken into account.
- 6.3 If requested by the ORD, the CON is obligated to take back one-way packaging and or containers (for disposal) at no extra cost.

7 Transfer of Risk

Risk is transferred to the ORD when the delivery has been properly completed at the specified location and it has been accepted by the ORD. The same applies when using shippers or transport personnel.

8 Guarantee and Compensation for Damages

- 8.1 The period of warranty is 36 months. This period begins, in the case of individual parts, with the delivery (transfer) to the ORD; in the case of machines or manufacturing plant elements with the signing of the final acceptance certificate.
- 8.2 The CON guarantees that the delivery item is free from legal or material defects, and fulfills the relevant laws and regulations, and in particular the specified norms, regulations, and quality requirements at the time of transfer to the ORD or its ordering party.
- 8.3 The CON will adhere to the currently applicable legal guidelines of the European Union and of the Federal Republic of Austria (e.g., REACH regulation and the environmentally sound disposal of electric and electronic devices). If required, the CE marking must be clearly visible, and the CE conformity declaration and CE manufacturer declaration must be included with the order.
- 8.4 Upon receipt, the ORD will examine the products delivered to make sure they are the products that were ordered, as well as checking them for obvious defects, quantity, and damage caused by transport. There is no further obligation for examination. Any defects or other deviations will be communicated to the CON within an appropriate period of time. In this respect, the CON waives the plea of a delayed notification of defects.
- 8.5 In the case that there are defects, the ORD has the right, after an adequate grace period has expired, to fix the defect itself, passing the costs on to the CON; to commission a third party; or to otherwise procure a replacement.
- 8.6 The CON incurs all costs for repairs or replacement at the site of use of the product.
- 8.7 If the ORD needs to take its own products back due to defectiveness of the CON's products, or if for the same reason the selling price is decreased, the ORD retains the right of recourse with respect to the CON. The CON must compensate the ORD for expenses incurred.
- 8.8 The warranty period begins anew for fixed or replaced parts.
- 8.9 If a defect is discovered during examination by the ORD, the CON must carry or reimburse the costs incurred due to the examination.
- 8.10 In addition to warranty claims there are lawful compensation claims. The CON is liable to the ORD for any and all damages caused by it, its subworkers, and/or its subcontractors. Exclusions of liability of any kind will not be recognized by the ORD.
- 8.11 In place of guarantee claims, it is also possible to apply damage compensation due to non-compliance.
- 8.12 If penalties for neglect of duty of the CON have been arranged, this does not eliminate the possibility of enforceable legal claims.

9 Liability

- 9.1 The CON shall hold the ORD harmless from any claims that result from defectiveness and/or faultiness of the delivered products. If the CON becomes aware of defects in the product, the CON must communicate this fact in written form to the ORD immediately. The CON is obligated to carry out exact product monitoring and to always make sure the product is technically state of the art. The CON is obligated, if it becomes necessary, to provide all production materials to the ORD. The CON must make sure that any dangers of the product are warned against using easily understandable hazard symbols, and provide detailed instructions with the product. Any product recalls must be done at the cost of the CON.
- 9.2 To cover general liability risk, the CON is under obligation to take out a product liability insurance policy and, upon request of the ORD, prove the existence of this coverage for the submitted order.
- 9.3 If claims are made against the ORD for product liability, the CON must release the ORD as if it were itself directly liable (compensation, legal fees, costs for legal prosecution due to the engagement of a lawyer, etc.)
- 9.4 If employees or other persons that are authorized by the CON work on the premises of the ORD, then they are required to follow all safety and accident prevention rules as well as plant regulations. Damages that result from not obeying these rules must be compensated for by the CON. The CON is also liable for all negligent behavior of its employees or other authorized persons.

10 Trademark Rights of Third Parties

- 10.1 The CON shall be responsible for ensuring that no trademark rights (patents, utility models), other rights, or business or company secrets of third parties are breached through the use of the delivered products. It must release the ORD from claims by third parties.
- 10.2 Furthermore, the CON is liable for any damages to the ORD directly resulting from the breach of such rights.

11 Additional Materials

- 11.1 Additional materials and manufacturing equipment provided by the ORD, as well as drawings, sample tools and training materials, remain its property. They must be stored properly, in a well-organized way, as well as separately and clearly labelled as property of the ORD. The CON is liable for damage or loss of the provided materials. The ORD must have adequate insurance coverage that it pays for itself.
- 11.2 The additional materials provided by the ORD may only be used for the intended purpose and may not be handed over to a third party, disposed of, or pledged.

12 References

- 12.1 The business relationship with the ORD can only be referred to in the CON's advertising if explicit written permission has been given by the ORD.
- 12.2 Publications that refer to products of the ORD (photographs on home pages, in product catalogs, etc.), may only be made if explicit written permission is granted by the ORD.

13 Renunciation

Renunciation or pledging of rights resulting from the contract for the CON can only take place with written agreement of the ORD.

14 Confidentiality

Materials and information of any type that are made available to the CON, its employees, subcontractors or representatives, such as samples, drawings, models, data, and similar, as well as any and all other information that is made available by the ORD, as far as it is not recognizable as being meant for publication, may not be distributed to third parties, nor may third parties be given access to it. This obligation to confidentiality persists indefinitely after the completed delivery of goods and services, as well as after termination of the contractual relationship.

15 Place of Fulfillment, Place of Jurisdiction, Applicable Law

- 15.1 Place of fulfillment for all deliveries and services is the location (delivery address) indicated by the ORD. If this location is not mentioned, the place of fulfillment is the business location of the ORD in 8120 Peggau.
- 15.2 The court of jurisdiction is the court in Graz that is responsible for the place of business of the ORD.
- 15.3 Austrian law applies exclusively, with the exclusion of UN purchasing law and rules referring to foreign law.

16 Severability

If individual parts of these purchasing conditions are, or become, invalid, the remainder of the contract and/or the conditions remain in effect. An ineffective provision will be replaced by a provision that fulfills, as nearly as possible, the business purpose of the ineffective provision, and is effective.