

General Terms and Conditions of Purchase of SAG Group Companies

hereinafter referred to as
"SAG Conditions of Purchase"

1. General Provisions

Any and all of our orders shall be based exclusively on the present Conditions of Purchase. These Conditions of Purchase shall apply to any and all contracts of sale and contracts for work and/or services irrespective of their designations from case to case. The term "contracting party", when used in the following, shall be taken to mean the contracting party commissioned by SAG in particular to effect delivery of goods, work and/or services.

In certain cases SAG may request that delivery be made or services rendered in accordance with contract of sale, contract for work and/or services to a company other than SAG. Where an invoice for a specific purchase/work/service is to be submitted to such other company, SAG is acting on an agency basis for the company to whom the invoice is to be submitted. The terms of the respective agreement of SAG shall also apply to such purchase/work/service.

2. Contractual Bases

The legal relations to the contracting party are exclusively regulated by these purchasing conditions as well as by individual agreements referring to them. The individual agreement takes precedence over these Terms and Conditions of Purchase. General terms and conditions of the contracting party shall not apply even if we have not expressly objected to them. By accepting an order, the contracting party declares his agreement with these terms and conditions of purchase.

These Conditions of Purchase shall apply to any and all follow-up orders – whether they are placed in writing or orally – without the need for us to make this explicit.

3. Formal Requirements

Orders shall only be legally binding for us if they are placed in writing. The contracting party must accept orders in writing within four working days by means of an order confirmation. Any deviating acceptance shall be regarded as a new offer and shall require our express written acceptance.

Our order number shall be stated in all documents relating to the order, in particular invoices; otherwise we shall be entitled to return these without processing and these shall therefore not be deemed to have been received by us. Orders placed in person or by telephone shall require our subsequent written order to be valid. The contracting party may also send documents to us by e-mail. However, if these arrive outside our business hours (Monday to Thursday from 8 a.m. to 4 p.m., Friday from 8 a.m. to 12 p.m.), they shall not be deemed to have been received by us until the subsequent commencement of business hours.

4. Subcontracting the Order/Suppliers

The order placed shall not be subcontracted in full or in part without our prior written consent. Suppliers shall be notified to us. In no way and under no circumstance shall a legal relationship between us and any subcontractor or supplier come into effect. The contracting party shall be liable for the selection and any default of its subcontractors and suppliers.

The assignment of rights and obligations arising under the contract – with the exception of the assignment of monetary claims – from the contracting party to a third party is subject to our prior explicit and written consent in cases of both singular and universal succession. We are entitled to assign rights and obligations under the contract to third parties discharging us from any and all liability by way of singular succession.

5. Prices

Irrespective of any input required, offers shall be free of charge. Agreed prices shall be fixed, free delivery to destination, and shall include any and all costs of the contracting party, e.g. relating to quality management, functional and quality checks, packing and documentation, as well as any permits and insurance required.

contracting party shall during the term of this Agreement provide us with goods/works/services that are competitive in terms of price, quality, delivery and technical function. If we consider that contracting party's delivery is no longer competitive in relation to price, quality, delivery and technical function even though the delivered goods/works/services are in accordance with the terms of the Purchase/Work/Service Agreement, we shall supply contracting party with information supporting this belief. We and contracting party shall in good faith discuss how to make the goods/works/services competitive. If the Parties are unable to arrive at a mutually acceptable solution within thirty day after our notification, we shall have the right to terminate the Agreement insofar it concerns the non-competitive goods/works/services by giving the contracting party thirty day of notice. Regardless of our termination contracting party shall be under obligation to fulfill the orders posted before termination.

6. Delivery/Time of Delivery/Force Majeure

The INCOTERMS 2010 and, if no specific Incoterm clause has been agreed, the "DDP" clause (delivery address of the SAG Group company) shall apply analogously to shipments both in cross-border traffic and in non- cross-border traffic. The contracting party shall provide proper packing. Cost of delivery and packing as well as the cost of any shipping insurance shall be borne by the contracting party. All shipments shall enclose appropriate shipping documents (in particular precise declaration of contents), otherwise we shall have the right to reject delivery.

Delivery of goods or services shall be effected at the receiving office stated on the date agreed during the times of acceptance stated. This shall be deemed to be the receipt of goods at the delivery address or completed acceptance. We shall be entitled to reject shipments or services or parts thereof, and/or return them at the contracting party's expense if they are effected before or after the agreed point in time/period of time or if they are effected in a quantity smaller or larger than stated in the order. In case of delivery at a time earlier than confirmed we reserve the right to charge the contracting party for any cost of handling and storing.

Any and all agreed times of delivery shall be fixed times (transaction for delivery by a fixed date within the meaning of §919 the Austrian Civil Code), with default resulting in rescission of the contract unless we insist on performance of the contract. In case the contracting party realizes prior to the agreed date of delivery that timely delivery will be partly or fully impossible, it shall inform us to this effect forthwith stating the reasons as well as the expected delay. Such circumstances shall also entitle us to rescind the contract without waiting for the agreed date and without granting an extension. Moreover, even if we insist on performance, we shall have the right to claim compensation for all damage incurred, including lost profits as well as any indirect financial and consequential damage.

In case of delay in delivery irrespective of whether culpable or not the contracting party shall pay a penalty amounting to 2% of the total contract value for each week of delay or part thereof up to a maximum of 15% of the total contract value until complete delivery has been effected. This shall not affect the right to claim any damage exceeding such penalty. The penalty shall not be subject to a court's right of mitigation.

In the event of force majeure (e.g., war, riot, fire damage, flooding, traffic disruption, strike), we shall be released of the obligation of acceptance for the duration of the disruption and shall be entitled to rescind the contract without any claims against us accruing to the contracting party.

7. Shipping and Marking Requirements

Our shipping requirements shall be observed strictly, with the contracting party being liable in full for any damage and cost arising from non-compliance with shipping requirements or agreed shipping conditions (e.g., cost of additional freight, demurrage charges). In the absence of shipping regulations or conditions, the forms of shipment and delivery most favorable for us shall be selected. Shipment by forwarding agent shall be subject to our consent; such handling shall require informing the forwarding agent of our shipping regulations and order number, with such information also to be passed on to the carrier, if applicable. The items to be delivered shall be marked in accordance with our regulations and pursuant to any relevant documentation requirements in such a way that origin and date of production of the items (e.g., based on parts numbers, order number, description of parts) can be ascertained without any doubt.

8. Invoicing/Payment/Set-off

Unless otherwise agreed, invoices are to be sent to us after delivery of goods or performed service. Apart from the order number, all order data, the type of dispatch and the delivery note must be noted on the invoices. The invoices must contain all legally prescribed components of a commercial invoice, in particular to guarantee our input tax deduction and to comply with customs regulations (VAT number, customs tariff numbers and gross/net weights, etc.). Invoices for services and materials must also be enclosed accordingly. Invoices which do not meet one or more of these requirements shall be deemed not to have been issued and the invoice amount shall not become due. The payment period begins with the date of receipt of the invoice or the goods or with the completion of performance or final acceptance, depending on which date is the later one; in the case of delivery before the agreed date, however, at the earliest with the originally agreed date.

Unless otherwise agreed, payment for accepted deliveries or services shall be made within 30 days less 3% cash discount or within 60 days net. Payment does not mean acceptance of the delivery item/service and no acknowledgement of the contractual conformity of the delivery/service.

Offsetting against our claims is inadmissible unless counterclaims have been acknowledged or legally established by a court of law. We are entitled to offset counterclaims, including those of group companies, against the claim of the contracting party. The contracting party is not entitled to a right of retention.

9. Warranty

The contracting party shall warrant conformity of delivery of goods or services with the requirements of the law, proper and state-of-the-art construction, quality of execution for promised features, and the use of faultless materials, for a period of 36 months for movable goods, and for a period of 60 months for immovable goods or goods that are intended for installation in or use with immovable goods.

Warranty shall become effective upon acceptance of the delivery by our final customer or, in case the product or service will be used exclusively at our premises, upon unqualified acceptance of goods or services by us. Inspection and complaint obligations shall only become effective upon complete delivery or performance. Our inspection upon receipt shall be limited to defects that are obvious such as, for example, damage in transit, wrong delivery, excess or short delivery. Such defects shall be reported within 14 days of delivery. There shall be no further obligation to inspect the goods/services upon delivery and to give notice of defects if any (notice of defects under the Commercial Code). On the contrary, we shall be entitled to claim warranty for any defects that occur during the warranty period at any time.

In a case of warranty we shall have the right to opt for improvement at no cost or replacement of the defective product/service, having the defect remedied by a third party at the contracting party's expense, rescinding the contract forthwith, or claiming an appropriate reduction in price.

In case defects are remedied by the contracting party, the warranty period shall start anew after the correction has been accepted and shall apply to the entire product/service affected by the defectiveness.

The warranty thus described shall be without any prejudice to claims for damages. The contracting party guarantees to carry out training, maintenance, and repair work as well as the supply of wearing and spare parts for a period of 10 years from delivery.

10. Liability for damages

The contracting party shall be liable, **regardless of fault**, for all damages incurred by us as a result of a delayed or defective delivery/service. By accepting the order, the contracting party explicitly represents and warrants that the item to be delivered is not covered by any rights, particularly any industrial property rights, of any third party. The contracting party agrees to indemnify and hold us harmless against any and all claims due to or arising from infringement of any such rights. The contracting party shall indemnify and hold harmless us and our agents, assistants, directors, officers, contract dealers, importers and other companies that sell goods or products in which the items delivered are integrated as well as their customers from and against any loss, liability, cost, expenses, suits, actions, claims and all other obligations and proceedings whatsoever, including but not limited to all judgments rendered and all fines and penalties imposed arising out of any damage caused by a defect, alleged or real, – unless such allegation can be rejected without comprehensive inspection of the item delivered – of the item delivered, violation of the contract of sale or for services, or any other illegal conduct of the contracting party.

In the event we are held liable by a third party under the regulations of the Product Liability Act, it shall fall upon the contracting party to prove that the product delivered is free of any defect within the meaning of the product liability provisions. The contracting party shall be obliged to support us in any litigation with third parties and, above all, hold us harmless and indemnify us from and against any and all claims of third parties. This shall apply even if the item delivered represents only part of services rendered by us to third parties.

The contracting party shall indemnify and hold harmless us and our agents, assistants, directors, officers, contract dealers, importers and other companies that sell goods or products in which the items delivered are integrated as well as their customers from and against any loss, liability, cost, expenses, suits, actions, claims and all other obligations and proceedings arising from or due to a recall if such recall was necessary because of the item delivered or the services rendered by the contracting party.

The contracting party shall take out insurance policies at his own expense which cover his liability towards us and third parties to the extent required. Sufficient insurance coverage must be proven by the contracting party immediately upon conclusion of the contract without being requested to do so and within a reasonable period of time during the valid contractual relationship upon SAG's request.

11. Means of Production/Confidentiality

Means of production shall be taken to mean production plants and facilities including dies, test tools and measuring equipment (e.g., gauges), matrices, samples, tools, components, patterns, models, drawings, printing plates, or other devices needed to produce and inspect the items to be delivered. Any means of production we provide to the contracting party to fulfill its contractual obligations shall remain our tangible and intellectual property. Said means of production shall only be used to execute our orders and shall not be made accessible or transferred to external third parties without our prior written consent. The means of production shall be returned to us upon completion of the order without charge to us. Until it receives written instructions from us, the contracting party shall at its own cost assume the storage, upkeep and maintenance of our means of production in a way that precludes damage including damage due to force majeure.

The contracting party undertakes to keep all trade and business secrets which become known to him in the course of the execution of the order. Subcontractors, suppliers, and employees of the contracting party shall be bound accordingly. The obligation to maintain business and trade secrets shall also apply for an unlimited period of time after termination of the business relationship. For each breach of the aforementioned obligation, the contracting party promises a penalty, the amount of which we shall determine at our reasonable discretion, but at least € 100.000,00 (Euro one hundred thousand). Any rights beyond that shall remain unaffected.

12. Intellectual Property Rights

If SAG's purchase, work order or services rendered for SAG, initiates development or design work, any intellectual property rights arising from such work shall accrue to SAG. If however the contracting party has, at his own expense contributed substantially to such work then potential intellectual property rights shall accrue to the Parties jointly, and both Parties shall be free to independently commercialize such rights.

The contracting party is aware that production of parts for its own account or for the account of third parties is not permitted if SAG holds industrial property rights in these parts or if SAG has provided the contracting party with know-how or equipment for the production or development of these parts.

13. Industrial Property Rights and Counterfeit Components

The contracting party guarantees that the delivered goods or their use do not infringe any industrial property rights or other rights of third parties. If such rights do exist, he shall compensate us for any resulting damage, regardless of his or our knowledge. The contracting party shall also be obliged to indemnify us against claims by third parties arising from industrial property rights.

The contracting party must prevent the use of counterfeit or presumed counterfeit parts and their integration into products delivered to SAG. In addition, we expect our contracting party to develop, use and maintain effective methods and processes that avoid the risk of counterfeit components and materials being introduced into the delivery process. In justified cases, the contracting party shall be obliged to inform us about delivered counterfeit components and materials and not to use the source of supply for future deliveries.

In addition, the contracting party is strictly prohibited from using both our brand and the brand of our customers for identical goods or services (identity protection). This prohibition also includes similar signs for non-similar goods if the distinctive character or the repute of the trademark is thereby exploited/impaired in an unjustified or unfair manner.

14. Intellectual Property

Drawings, samples, models, forms and other aids which SAG hands over to the contracting party for the purpose of fulfilling the order shall remain the property of SAG, which may freely dispose of them. The contracting party is obliged to keep them

secret and to use and dispose of them only in accordance with the purpose for which they were handed over in accordance with the previous sentence and in such a way that he does not put SAG in danger of third parties asserting claims from patents, utility models, topographies, trademarks, copyrights or other intellectual property or unfair competition.

The contracting party guarantees SAG that the delivery of the goods in accordance with these terms and conditions and the use of these goods by SAG or its customers shall not result in any infringement of rights arising from patents, utility models, topographies, trademarks, copyrights or other intellectual property rights of third parties or in any infringement of regulations on unfair competition.

15. Fair Competition and "Anti-Cartel"

In accordance with applicable law and its corporate guidelines, the contracting party strictly complies with the laws and regulations of the countries in which it conducts business and undertakes in particular to comply with the applicable antitrust, competition and anti-corruption laws.

The contracting party shall not participate in illegal agreements restricting competition and shall fight prohibited cartels. In addition, he actively and consistently counteracts any punishable or unethical influence on decisions and takes action against bribery in his own company.

16. Conflict of Interest

The contracting party undertakes to perform all services for which it uses the amount received in accordance with applicable laws and not to offer, make, promise, approve or accept, directly or indirectly, gifts or other gratuities to public officials, regulatory authorities or other third parties, including but not limited to bribes for the purpose of influencing, inducing or rewarding any act, omission or decision to obtain an unlawful advantage or to enter into a contract. Conflicts of interest that may influence an independent decision must be disclosed to SAG.

17. Disclosure Obligation / Information Disclosure

The contracting party and SAG undertake to treat confidentially all non-public, in particular commercial and technical information, documents, experience and knowledge of the other party which they have received or become aware of as a result of the business relationship, to use such information only for the purpose of carrying out the individual orders and to return it immediately and unsolicited after termination of this contract. The contracting party shall be obliged to agree these terms and conditions with any sub-suppliers in writing. This agreement shall apply beyond the term of the contract.

The contracting party undertakes to treat all technical and commercial details which are not generally known and which become known to him as a result of the business relationship as business secrets and to keep them secret. The protected data include in particular technical data, purchase quantities, prices as well as information on products and product developments, on current and future research and development projects, customer data as well as all company data of the contracting party. Furthermore, the contracting party is obliged to keep secret all illustrations, drawings, calculations and other documents received and to disclose them to third parties only with our express consent if the information contained therein is not generally known.

If the contracting party intends to use object photos or drawings, which were sent in the course of the orders or are available in our documents, for its own reference lists or advertising purposes, the written consent of SAG must be obtained expressly for this purpose. Pre-suppliers and employees shall be bound by the same obligations.

This obligation applies indefinitely beyond the end of the contractual relationship.

In the event of a violation of this point, the contracting party undertakes to pay a penalty of EUR 50,000 per violation and calendar day, excluding the plea of continuation.

The obligation to maintain secrecy does not apply in the event that a statutory disclosure obligation exists. However, SAG must be informed of this disclosure in any case.

18. Quality

The contracting party is responsible for ensuring that his deliveries and services comply with the state of the art, the safety and quality regulations, statutory and other regulations, the agreed technical data and the warranted characteristics and must ensure in a suitable form that the aforementioned obligations are also met at the level of his suppliers.

In the case of series delivery, series delivery may only be started after written approval of the sample by us. For initial sample tests, reference is made to VDA publication 2 "Securing the quality of deliveries - supplier selection, sampling, quality performance in series". Irrespective of this, the contracting party must constantly check the quality of the delivery items.

If contractual or customary documentation obligations exist for delivery items/services, the contracting party must keep the corresponding records and keep the test documents/documentation for 15 years after the last delivery and submit them to us if required. The aforementioned obligations shall be transferred to any subcontractors. As instructions, reference is made to VDA Publication 1 "Guidelines for Documentation and Archiving of Quality Requirements and Quality Records".

For materials and objects from which, due to their nature, properties or condition, life and health of humans, for the environment as well as for objects can be endangered and which therefore have to undergo special treatment due to regulations with regard to packaging, transport, storage, handling and waste disposal, the contracting party shall provide us with a safety data sheet or accident leaflet corresponding to the applicable statutory regulations.

19. Environmental Protection

The contracting party is obliged to apply the quality and environmental management principles of the relevant standards ISO 9001, IATF 16949 (relevant for automotive suppliers) or ISO 14001 or EMAS in the execution of his deliveries / services. The contracting party must ensure in a suitable form that the above obligations are also complied with at the level of its suppliers.

During the term of the contract, the contracting party shall effectively use the necessary resources, in particular materials, energy and water, and minimize the environmental impact, in particular with regard to waste, waste water, air and noise pollution. This also applies to logistics/transport costs.

For the quantitative evaluation of the resource efficiency of the contracting party, he must provide us on request with the following information regarding his total annual order volume with SAG:

- Total energy expenditure in MWh;
- CO₂ emissions from own and externally generated energy in t;
- Total water consumption in m³;
- Process waste water in m³;
- Waste for disposal in t;
- Waste for recycling in t;
- VOC emissions (volatile organic compound) in t.

In addition, the contracting party relies on responsible chemicals management. He assures that he complies with the requirements of the EU Chemicals Regulation REACH (Regulation (EC) No. 1907/2006 of 30.12.2006) as amended, and in particular that the substances have been registered. We are not obliged to obtain approval for goods supplied by the contracting party within the framework of the REACH regulation.

In the case of delivery of hazardous substances within the meaning of the Hazardous Substance Ordinance, the contracting party is obliged to provide the safety data sheet unsolicited prior to delivery. The contracting party shall indemnify SAG against all claims of third parties arising from the fact that he has not made the safety data sheets available or has made them available late.

20. Export Regulations and Economic Sanctions

The contracting party must inform SAG

- of possible export restrictions with regard to the goods and technologies (e.g. entries in accordance with the Dual-Use Regulation or comparable regulations),
- if and to the extent that the goods and technologies are subject to an export/re-export license in accordance with US law/US regulations
- and tell the relevant classification number (e.g. communicate the ECCN Export Control Classification Number for US products, the "AL number" of the goods and technologies listed in the German Export List, the "Dual-Use Number" for goods and technologies in accordance with the Dual-Use Regulation, etc.), as well as
- about possible exemptions for goods and technologies.

The contracting party must send the above-mentioned notices and information to the purchasing department of the ordering locations. Upon request, the contracting party shall provide the necessary declarations / notifications.

The fulfilment of the contract by SAG is subject to the proviso that there are no obstacles to fulfilment due to national or international regulations of foreign trade law and no embargos or other sanctions.

21. Premature Termination

We are entitled to terminate the contracts of sale /contract for work and/or services if a) the contracting Partner's financial situation changes drastically and sustainably leading to legitimate fear that continuation of the contractual relationship may cause economic detriment for SAG or subject to other reasons is no longer reasonable for SAG or b) the contracting party is acquired fully or partly by a competitor or c) contracting party repeatedly or seriously infringes the contract of sale/ contract for work and/or services or these Terms and Conditions.

22. Counter Purchases

SAG reserves the right to avail itself of the purchase value or part thereof for existing or possible future counter purchase obligations. SAG is entitled to assign this right to another party.

23. Data Protection / Privacy

The contracting party shall ensure that all persons entrusted with the provision of services observe the statutory provisions on data protection, in particular with regard to the processing of personal data. An obligation of these persons to maintain data secrecy which is required by data protection law must be undertaken before the first commencement of their activities and SAG must be provided with evidence upon request.

Conversely, the contracting party agrees that we store the data of the contracting party required within the scope of the business relationship and the contracts concluded with him and use these for our own purposes within our group-affiliated companies.

24. Respect for Human Rights

Child labor is not allowed! The employment of minors, as defined by local labor law, is not permitted unless it is a government-approved training or vocational education program for the clear benefit of the participants.

Any form of forced labor is prohibited.

Employees must be able to talk openly with management about working conditions without fear of retaliation, intimidation or threat. Employees must also be entitled to join in accordance with local legislation, trade unions or workers' associations. Employees must be protected from all forms of harassment and discrimination based on gender, age, religion, disability, political opinion, origin or similar.

The workplace of the employees must be safe and not endanger their health. It must at least comply with all local laws and applicable regulations concerning health and safety at work.

Wages, salaries and benefits for employees must be competitive and comply with local legislation (minimum wages, overtime compensation, statutory benefits).

Working hours must comply with applicable local legislation.

We expect our contractors to comply with these global rules for working conditions in all their locations and to promote the implementation of these principles with their suppliers.

25. Miscellaneous

Unless stipulated otherwise, the place of performance and payment shall be delivery address of the SAG Group company. The contracting Partner waives all its rights of rescission because of error and reduction by half (laesio enormis).

Should individual provisions of the contract or these provisions be or become invalid / unenforceable, the validity of the remaining provisions shall not be affected. The invalid / unenforceable provision shall be replaced by a valid / enforceable provision that comes as close as possible to the intended purpose and purpose. If there is a gap in the contract, an appropriate provision shall apply which, as far as legally possible, comes closest to what the parties intended or would have intended in the sense and purpose of the contract if they had considered the point.

Headings in the present Conditions of Purchase are used for illustration purposes only and shall not be used for interpretation purposes. In case of doubt the German version of these Purchase Conditions prevails. Modifications and additions to

contractual agreements with the Client shall only be deemed valid in writing. Communication by fax or e-mail shall be considered written communication.

26. Jurisdiction, applicable law

Austrian law shall apply to this contract, with the exception of the international reference standards. The application of the UN Convention on Contracts for the International Sale of Goods is expressly excluded. Disputes are to be settled exclusively before the court responsible for Salzburg, Austria. However, we are entitled, at our discretion, to sue the contracting party at his location.