



TERMS AND CONDITIONS OF PURCHASE

of Knierzinger Industrieisolierungen GmbH

1.) General information

Insofar as there are no agreements in writing to the contrary, the following terms and conditions shall govern the contractual relationship between the supplier (hereinafter referred to as the “supplier”) and Knierzinger Industrieisolierungen GmbH (hereinafter referred to as “Knierzinger”). Any business or contractual terms and conditions of the supplier shall not be acknowledged and are herewith explicitly excluded. This provision also applies if the terms and conditions of the supplier are not explicitly rejected for each individual transaction.

2.) Order placement

The supplier is obliged to confirm the order submitted by Knierzinger by replying to the order letter within three working days. In confirming the order, the supplier must use the duly signed order form of Knierzinger and explicitly specify the order quantity and place of delivery in it. No purchase transaction shall take place without a valid order confirmation in writing by the supplier.

Orders as well as their changes or amendments shall only be deemed valid if they are concluded in writing. Verbal orders as well as order changes (including, in particular, order extensions and additional orders) shall only be deemed valid if they are immediately confirmed in writing by the supplier.

Unless agreed in writing to the contrary, price quotations shall be free of charge.

3.) Delivery deadlines

The agreed delivery deadlines shall be binding for the supplier. Herewith, the supplier acknowledges that the observance of all agreed delivery deadlines is significant and crucial for Knierzinger.

In particular, this is because Knierzinger has committed itself to a contractual penalty obligation towards its own principal and, thus, Knierzinger would be liable for damage compensation in the event of non-observance of the delivery deadlines that it has agreed with its own principal.

If the supplier does not comply with the agreed delivery deadlines, it shall incur the penalties described below – based on the total order value – for the period until the actual date of delivery. In this case, Knierzinger shall have the right to deduct the contractual penalties from the ongoing invoices or the receivables of the supplier.

- For deliveries and services: 2% for each commenced week of delay
- For documentation: 0.5% for each commenced week of delay



The obligation for the payment of a contractual penalty shall arise upon the occurrence of an objective delay irrespectively of whether the supplier is responsible for the delay. The contractual penalty shall also become due if the supplier delays a partial delivery.

Furthermore, in the event of delayed delivery by the supplier, Knierzinger has the right to pass on the contractual penalty, which it owes to its own principal, to the supplier. In this case, the supplier shall not have the right to dispute the amount of the penalty that is being passed on. In the event of a delivery before the agreed date, Knierzinger shall be entitled to reject the acceptance of the delivery at its own discretion or to send it back to the supplier / store it at the risk and expense of the supplier.

Both parties herewith agree that all carriers or transport companies appointed by the supplier shall be considered vicarious agents of the supplier.

The supplier is obliged to notify Knierzinger in writing one day before the delivery of the ordered goods. Should the supplier fail to provide this advance notification, it shall thereby forfeit its right to charge Knierzinger for any waiting times of the carrier/transport company. Furthermore, in this case the supplier shall also be obliged to unload the goods itself (at its own expense). Should any costs arise for Knierzinger as a result of the supplier's failure to provide advance notification, the supplier shall be responsible for indemnifying Knierzinger for and against any claims by third parties.

The supplier shall inform Knierzinger immediately about any events, which might cause the delay of deliveries or endanger the fulfillment of other obligations of the supplier.

4.) Delivery, assumption of risk

All products shall be packaged, marked and shipped with the appropriate diligence by the supplier. Unless otherwise agreed, all deliveries shall be shipped at the risk and expense of the supplier (carriage paid) to the address specified in the order.

5.) Notification of defects

Herewith, both parties agree to exclude the provisions of §377 and the following of the Austrian Business Code (UGB). The payments effected by Knierzinger shall not represent an implied acknowledgement of the absence of defects in the delivered goods and shall not affect any further claims by Knierzinger due to the supplier's failure to execute the delivery according to the contract.

6.) Prices

The invoices of the supplier must be submitted to Knierzinger in one copy, along with all necessary accompanying documents and including the order and tracking numbers.

In addition to other statutorily required information, suppliers from EU member states must also specify the following on all invoices:



- the applicable tax rate or a reference to tax exemption and the movement of goods
- the date of issue
- the invoice number
- the VAT No.

Invoices, which are incomplete, unverifiable or not compliant with the above-mentioned requirements, shall not become payable and can be rejected by Knierzinger. The rejection of an invoice shall result in the suspension of the payment period. The payment period shall start anew upon the submission of a proper invoice.

Unless agreed otherwise in writing, the payment shall be rendered according to Knierzinger's payment conditions as specified in the order letter only after the proper acceptance of the delivery item and Knierzinger's receipt of a verifiable invoice. In the event of an early delivery, the payment period shall commence at the agreed time of delivery.

Unless agreed otherwise in writing, Knierzinger shall have the right to deduct a 5% discount for payments within 14 days of the date of invoicing; apart from that, the payment term is 30 days net. Other payment options must be agreed separately to be effective. The above-mentioned payment period shall commence only after Knierzinger receives a verifiable invoice (see point 6).

7.) Containment / Set-off of items

The supplier shall only be entitled to enforce a proclaimed right of containment if and to the extent that its claim is legally established or accepted by Knierzinger in writing.

8.) Ownership of items

Upon accepting a delivery, Knierzinger shall attain full ownership of the delivery item unless the parties have made a separate agreement to the contrary effect in writing.

9.) Withdrawal

Knierzinger has the right to withdraw from the contract (which shall not affect its right to raise any further claims) if the supplier exceeds the agreed delivery time and also fails to perform the delivery within a reasonable grace period granted by Knierzinger or if the supplier is permanently incapable of fulfilling its delivery obligations or if its assets deteriorate considerably, thus jeopardizing the execution of delivery according to the contract.

If Knierzinger is compelled to make covering purchases due to its withdrawal from the contract, the supplier shall be held liable for all resulting additional costs.



10.) Warranty / Liability

The statutory warranty requirements shall apply.

If Knierzinger detects a defect and requires its elimination, the supplier shall immediately eliminate the defect while safeguarding Knierzinger's interests. If the first attempt of the supplier to repair the defect fails or if the supplier does not comply with its repair obligation within a reasonable period, Knierzinger shall be entitled to revoke the contract.

If the supplier delivers faulty goods or goods other than those ordered and if Knierzinger's own contractual obligations do not allow for a repair by the supplier (particularly due to time constraints), then Knierzinger shall have the right to either commission a third party with the repair or to execute the repair itself. In both cases, the supplier shall be obliged to bear the costs for the substitute performance.

In particular, the supplier is prohibited from raising the objection that it could have provided the substitute performance itself in a more cost-efficient manner.

If the defective or mixed-up delivery is associated with a delay on the part of the supplier, the provisions of point 3.) shall apply (Delivery deadlines).

If Knierzinger is compelled to arrange for a more accelerated work schedule due to a defective or late delivery, the supplier shall be additionally liable for any incurred extra costs (irrespective of its other penal obligations).

If a fault is reported by Knierzinger, this shall interrupt the course of the warranty period. The warranty period shall start anew only after the defect has been corrected.

The supplier guarantees to Knierzinger that the delivered items correspond to the properties, requirements and purposes specified in the respective drawings, plans, specifications, samples or other agreed documents.

If Knierzinger has to provide a warranty to a customer in the event of resale of the goods supplied by the supplier, then Knierzinger shall also have the right to demand a warranty after the expiry of the warranty period applicable to the supplier to the extent that Knierzinger raises such claims in writing (extrajudicially) within 6 months of fulfillment of its own warranty obligation. The liability of the supplier arising from the title of warranty shall expire no less than 6 months after the expiry of the warranty period in effect between Knierzinger and its customer.



11.) Confidentiality

The supplier is obliged to maintain absolute secrecy on all operating and business secrets that it obtains in the scope of its business relationship with Knierzinger. The supplier shall be prohibited from passing on any information, of whatever kind, about transactions executed with Knierzinger to third parties. In the event of violation of this confidentiality clause, the supplier shall be obliged to pay a penalty for breach of contract in the amount of EUR 5,000 per each case of violation. This penalty is not subject to mitigation by a decision of a court and shall become due for payment immediately.

12.) Applicable law / Place of jurisdiction / Language of these terms and conditions

The parties mutually agree that these terms and conditions shall be governed exclusively by Austrian law. The exclusive place of jurisdiction for all disputes arising from or related to the contractual relationship is Wels.

The authoritative language of these terms and conditions is German.

Signature:

Date: