

Purchasing conditions

1. APPLICABILITY

The following Conditions of Purchase apply to our current and future business transactions with the suppliers or other contractors (hereinafter referred to as "Suppliers") and to all companies belonging to the Rübigen Group. The content of previous discussions, notes, correspondence and so forth of the Suppliers does not constitute a component of the contract that has come into being based upon our order. The contractual content is the sole result of our order and our Conditions of Purchase. General Terms and Conditions of Business or form sheets of our suppliers will never be recognized or become a part of the contract, whether or not we are aware of them, whether or not we have disputed their validity, and whether or not they are in conflict with the Conditions of Purchase. Even the unopposed acceptance of the delivery or performance activities by us shall not be construed to indicate a submission to such conditions. All deviations contained in the confirmations of orders, and particularly the Supplier's Terms and Conditions of business, are hereby expressly contradicted. An additional objection to this – pertaining specifically to the business transaction – shall not be required.

A specific written agreement affecting the contract is required for the validity of subsidiary agreements, changes or supplements to our Conditions of Purchase. The preparation of offers is free of charge to us and is not binding. It shall be binding for the time limit designated in the offer but at least for a period of 3 months. The latest valid version of Incoterms shall be decisive in the interpretation of commercial clauses.

2. ORDERS

Only orders placed in writing via telefax or email are valid. Verbal and telephonic orders are only valid if they are confirmed by us in writing. Each order is to be confirmed by the Supplier in writing. If the confirmation has not been dispatched within 14 days after the ordering day, then we are no longer bound by the order. Deviations from the order must be expressly emphasized and shall only be binding for us following our written acknowledgement. The delivered goods must conform to the presented documentation in every detail as well as be free from construction and production defects. With the acceptance of the order, the Supplier acknowledges that, by means of access to the existing documentation, he is aware of the type of performance and the scope of the service. In the case of obvious mistakes, typographical or calculation errors in the documentation that is in our possession, we shall not be bound by these. The Supplier shall be obligated to inform us of such errors, so that our order can be corrected and renewed. This shall also apply to missing documentation. Deviations from the existing documentation that are not in written form shall entitle us to reject the delivery, or to implement an appropriate price reduction. We shall be entitled to rescind orders that have been placed, if the financial situation of the Supplier worsens or insolvency proceedings have begun over his assets, so that difficulties in scheduling and delivery or a lack of coverage of our liability or warranty claims are to be expected.

3. QUALITY ASSURANCE/ ENVIRONMENTAL MANAGEMENT

In the manufacture of the goods to be delivered, the supplier guarantees compliance with all statutory requirements (meaning national and international statutory regulations) for the protection of consumers, employees and the environment, in particular those according to the law of the place of destination, at least the applicable EU standards, however. To the extent that the goods to be delivered contain chemicals, and these fall within the field of application of the REACH Directive (VO [EC] No. 1907/2006), the Supplier must verify the registration to us; he guarantees that use of the supplied goods for their intended purpose is covered by the registration and that we have been provided with all of the safety-relevant information (safety data sheet). The supplier must have in its possession the required permits for his processes and equipment. Material data sheets or EC safety data sheets, as the case may be, for the delivered products are to be maintained and handed over by the Supplier after the contractor has called up the order. If the Supplier makes use of subcontractors, then this is to be made known to us. In the case of function-critical parts, the Supplier may only make use of subcontractors for manufacture or procurement that have been approved by us. In the case of purchased parts and subcontracting work, carried out based on drawings, our technical conditions of delivery are to be followed. At the time of delivery, we carry out (or our customers carry out, in the case of direct delivery) an inspection solely regarding the identity, delivery quantity and possible transport damage that is recognizable on the surface of the packaging. Further statutory obligations of examination and notification are hereby expressly excluded. We reserve the right, without prior notification of the Supplier, to carry out an audit

of the system, process or product during regular business hours. We are entitled to demand that input materials, parts of the goods to be supplied or entire goods to be supplied, which are procured from subcontractors, will be included in the quality assurance system of the Supplier. The Supplier must guarantee that the above-mentioned audits can also be carried out at the premises of the subcontractors.

4. PRICES

If not otherwise expressly stated in the order, then the agreed prices are fixed prices, insofar that the Supplier does not generally reduce the affected prices. If no prices are listed on the order form, then they must be stated in the order confirmation, in which case we reserve the right of objection or rescission. In the case of no other explicit agreement, the prices shall be understood to include all fees, customs duties and ancillary costs; ancillary costs are particularly the costs of the packaging, the loading, the transport and the obtaining of export and import permits. Also included in the prices are – unless otherwise agreed – the taking back and proper recycling and disposal in accordance with the obligations of the manufacturer regarding the taking back and disposal, particularly of electrical and electronic devices. Moreover, the Supplier will not give us less favorable prices and conditions than other purchasers, if and to the extent that, as compared to the specific case, these offer him the same or similar conditions. We shall not accept price escalation clauses and similar clauses without a contact signed by us.

5. DELIVERY AND DELIVERY DATES

The Supplier, regardless of whether a manufacturer or retailer, shall be obligated to subject the goods to be delivered to a sufficient quality and quantity control prior to delivery. He may not invoke the provision of § 377 UGB (Austrian Commercial Code). Our delivery instructions are to be observed. We will only accept claims made by transport carriers or forwarding agents if these have been expressly contracted by us. We reserve the right to reject not agreed partial deliveries or to cancel remaining quantities. If we do not accept a product, then the Supplier shall be obligated to collect it within 8 days of notification, otherwise we shall be entitled to return it at the expense and risk of the Supplier. The Supplier shall immediately inform us in writing concerning an expected overdue delivery, stating the reason and the foreseeable delay. If he should fail to meet this obligation, then he can no longer claim that he has no responsibility for the delay; in such a case, we shall be entitled to withdraw from the contract without granting a period of grace. If the period of delivery has been exceeded with no agreement, then we shall be entitled, at our own discretion, to either demand subsequent deliveries within 8 days and damage compensation due to late delivery or withdrawal from the contract, subject to a reasonable period of grace, unless the delivery was explicitly agreed for a specific date. In the latter case, we shall be entitled to withdraw without a period of grace. In the case of accompanying documentation (factory reports, certificates, assessments, descriptions, plans, etc.) that is ordered, it shall be considered as an integral component of the scope of delivery and services, and the delivery shall only be considered as fulfilled once these documents have been delivered.

6. SHIPPING AND PACKAGING

Insofar as no deviations have been agreed, the delivery is to be made on a freight and packaging paid basis. If there are shipping expenses to be borne by us, then the least expensive shipping options are to be selected, if no other means of transportation has been expressly specified by us. The shipping is carried out at the risk of the Supplier. The Supplier shall be obligated to use careful and qualitatively suitable packaging for the goods to be shipped. The proper loading and securing of the load is a part of the Supplier's area of responsibility. The packaging is to be carried out with aspects of the environment and proper transport in mind: the packaging and filling material must be sorted according to type and recyclable. If it has been expressly agreed in writing that we are to bear the transport risk, then the shipper of the goods shall be obligated to immediately declare with the carrier all claims due to loss, reduction, damage of the goods and the like as well as to immediately cede these claims to us. If it is requested by us, then a special insurance for the goods to be shipped is required. The delivery notes are to accompany each shipment; notification of dispatch is to be simultaneously sent to us.

7. ACCEPTANCE, WARRANTY AND COMPENSATION FOR DAMAGES

The Supplier shall warrant and fully guarantee fault-free material, fault-free performance as well as complete, flawless and on-schedule performance of the agreed delivery or service. The Supplier ensures that the delivery/service exhibits the normally required and explicitly assured properties. The warranty period ends 12 months after delivery and acceptance. The obligation of inspecting defective delivered goods in accordance with § 377 UGB is expressly waived. When any defect has been detected, we shall

always be entitled to a six-week deadline for the notification of defects. In the case of a defect occurring, we shall be free to choose between replacement, repair or price reduction, or redhibition. In the case of a certain product type, we shall be entitled to randomly check from the entire delivery for the purpose of warranty and damage claims. The warranty requirements and obligation to compensate shall neither be limited by treatment and processing, nor by the resale of the goods.

8. PRODUCT LIABILITY

The Supplier shall be fully liable within the scope of the applicable product liability law. Exclusions of liability of all types as well as limitations of liability of our contract partner – particularly from the title of the damage compensation or the warranty – will not be accepted. In particular, there is no exclusion for property damage. The Supplier shall assume responsibility for the faults of its subcontractor or sub-contract manufacturer just as for his own faults. Regardless of negligence, the Supplier is particularly to take responsibility for product defects, if and to the extent that it is stipulated under law. The Supplier and his legal successor shall be obligated to product monitoring. He must immediately inform us, if later it is discovered that the product has dangerous properties. In the event that a claim is asserted against us, the Supplier shall be obligated to indemnify and hold us as harmless.

9. INSURANCE

The Supplier is to have, at its own expense, insurance coverage usual for business with a renowned insurance company (a written certificate of insurance is to be presented to us on request), including a general public liability insurance with extended product liability insurance. The product liability insurance is to have insurance coverage of at least € 2.500.000 per damage event, and it is to be maintained at least eleven (11) after fulfillment of the contract. We are entitled to demand to be listed in the certificate of insurance as "Additionally insured".

10. INVOICES

In addition to those required properties under law, invoices are to contain the complete order data and order date, the VAT number and, if required, the ARA license number as well. Moreover, the type of shipping must be shown, as well as whether the shipment was post paid (DDP) or freight forward (EXW). In addition, on all invoices is to be listed the type of shipping, the shipping agent (with any possible tracking numbers), parcel units and weight. All invoices are to be submitted immediately after a successful delivery and they should never accompany the shipment. If this should nevertheless occur, then the Supplier assumes the full risk for the receipt of the shipment. In addition, the Supplier obtains no rights in connection with combining the invoice with the shipment, such as invoice jurisdiction and so forth. If billing according to expense has been agreed, then the time reports confirmed by us are to be attached to the invoices. Invoices that do not meet our requirements or those stipulated under law (particularly customs and tax laws), shall not be considered submitted. Electronically sent invoices can only be accepted after prior written approval by the accounting department of the respective Group company, and they must be sent exclusively to the following email addresses:

Rübig Gesellschaft m.b.H. Co. KG: rechnungswesen@rubig.com
Rübig Alu GmbH: rechnungswesen@rubig.com
Rübig Technologie GmbH & Co KG: rechnungswesen@rubig.com
Franz Rübig & Söhne GmbH & Co KG: buchhaltung_schmiede@rubig.com

11. PROHIBITION OF ASSIGNMENT

The Supplier is not entitled to assign claims against us to third parties. Payments that we make are exclusively to the Suppliers.

12. CONDITIONS OF PAYMENT

Payment terms, including cash discount periods, do not begin prior to receipt of the invoice. The payment is made on time, if the bank remittance is on the last day of the time limit. The payment does not indicate a recognition of proper deliveries or services, and it thereby does not waive claims of any kind to which we may be entitled. We reserve the right to offset counter-claims, including those from Group companies. The assignment of payment claims is only permitted with our prior written consent.

13. RETENTION OF TITLE

Whatever kind of additional retention of title (current account retention), particularly an extended retention of title, will not be recognized by us. With respect to possible rights of the supplier to reservation of title, these conditions apply with the proviso that the ownership of the object of sale is

transferred to us upon payment, and accordingly the extended forms mentioned do not apply. Based upon the retention of title, the Supplier can only claim a return of the goods if he had previously withdrawn from the contract.

14. PERFORMANCE, CLAIMS FOR COMPENSATION

The transfer of the risks of price and performance as well as the ownership is determined according to the respective Incoterm to be applied to the shipment. If a formal acceptance takes place, however, then the transfer of risk does not take place prior to this formal acceptance. If not otherwise agreed, the place when the risk transfer takes place shall be considered the place of performance. If the Supplier violates his contractual obligations, then we shall be entitled in this case to charge a contractual penalty of up to 10% of the invoiced amount without further proof of damages, or to make deductions in payment. This does not exclude putting forward a claim for damages that exceeds the amount.

15. FORCE MAJEURE

In the case of force majeure (strike, lockout, war and natural occurrences etc.), we shall be entitled to partially or completely withdraw from the contract, or to demand performance at a later point in time, without the seller deriving any claims from this, aside from the replacement of verifiable expenditures.

16. DRAWINGS, MODELS, TRADE MARK RIGHTS

All drawing, models and so forth, which were made available by us to the Supplier for the performance of the order, as well as the drawings and so forth made by the Supplier in accordance with special instructions by the ordering party, may not be used by the Supplier for other purposes, duplicated or be made available to third parties. Upon our request, these are to be immediately handed over to us, including all copies or duplicates. In the case of non-delivery, the Supplier is to send it back to the ordering party without being requested to do so, and the work related to this is to be considered as a trade secret and to be handled accordingly. He is liable for all damages resulting for the ordering party from the violation of these obligations. By accepting the order, the Supplier consents to the IT-supported processing and storage of the data affecting this business relationship. Insofar as the Supplier has not manufactured the delivered goods or services according to drawings, models and so forth provided by us, and insofar as he does not or cannot know that in this manner trade mark rights will be possible violated, the Supplier shall be culpable that no patent or other trade mark rights of third parties are violated by his delivery and its use by us. In such cases, he releases us and our buyers from all claims arising from the use of such trade mark rights.

17. FEES AND CHARGES

If not otherwise agreed or regulated under law, possible charges and similar fees, incurred based on the order, shall be borne by the Supplier.

18. BUSINESS ETHICS

As a basic requirement for all business relationships, we maintain the strict adherence to the rules of conduct published by the Bundesverband Materialwirtschaft, Einkauf und Logistik e.V. (BME) in its currently valid version (cf. <http://www.bme.de/BME-Compliance-Initiative.compliance.0.html>) as well as the observance of all valid laws, guidelines, directives and similar standards relating to this. A violation of provisions in accordance with this clause shall be considered a serious violation of the contract, which entitles us to rescind all unfulfilled order with the Supplier as well as to put forward comprehensive claims of damage.

17. JURISDICTION, APPLICABLE LAW, PLACE OF PERFORMANCE

Our legal relationship with the Supplier is subject to Austrian substantive law, to the exclusion of the Conflict of Laws Code and UN Convention on Contracts for the International Sale of Goods. All disputes and differences of opinion arising from this or from subsequent orders, including a dispute about a contract coming into being, are subject to the jurisdiction of the competent court in Wels, Austria. Regardless of this, we shall be entitled to bring proceedings before a competent court of law at the business office location of the Supplier. The place of performance for delivery and payment shall be considered our office, even when the transfer takes place according to agreement at a different location.

18. MISCELLANEOUS

If special conditions have been agreed for a specific order, then our Conditions of Purchase shall apply in a subsidiary and supplementary manner. These provisions also fully apply in the case of the legal ineffectiveness of individual parts. The business partners shall be obligated to substitute any ineffective

provision with an effective provision that achieves an economic result as similar as possible to that of the ineffective provision. Changes and/or supplements and/or other deviations from these Conditions of Purchase by the Supplier are for the Rübige Group excluded and invalid.