

## General Conditions of Purchase

### 1. General Provisions

- 1.1 The contract is based exclusively on the General Conditions of Purchase as hereinafter set forth. They are valid by analogy also if the object of the contract is any work.
- 1.2 The supplier's purchasing conditions are rejected, they do not become part of the contract even if they are mentioned in the order confirmation and not expressly rejected by the buyer.
- 1.3 These General Conditions of Purchase are also valid for future businesses without further express agreement.
- 1.4 Any commercial or other contract relevant correspondence is to be done with the buyer's purchase department. Order number and reference number are to be mentioned in the correspondence.
- 1.5 Oral agreements require written confirmation.

### 2. Conclusion of Contract

- 2.1 The supplier has to obey exactly the specifications of the buyer both in offer and order confirmation. Any deviation has to be indicated expressly and in writing. Apart from the deliveries and products as specified in the order, the order volume contains also those required for a proper execution and performance of the ordered goods. All deliveries and products have to conform in their executions with the present state of the art and the valid norms coming to application. Every order has to be based on a written order mentioning an order number.
- 2.2 Samples, drawings, or tools handed over or ordered and paid must not be handed over to third parties without the agreement of the buyer, or be used for other purposes than those of this contract, or their content disclosed to third parties. They have to be kept carefully and to be protected against theft or use by third parties. The supplier has to hand them over to the buyer as soon as they are no longer required for the purposes of this contract.
- 2.3 In call orders, an obligation to purchase comes to effect only after express call off of the buyer. This is also valid if the goods are already produced. The buyer has the right to change delivery dates, if no important reasons of the supplier are an obstacle.
- 2.4 Changes or amendments to the contract require written form. This applies also to an agreement on revocation of the requirement of written form.
- 2.5 In doubt, prices mentioned are fixed prices free recipient's works.
- 2.6 If prices are not agreed in advance, they have to be quoted bindingly in the order confirmation. In this case, the buyer reserves the right to contradict or withdraw from the contract within four weeks, without any claim for compensation of any kind for the supplier.

### 3. Delivery

- 3.1 Delivery times have to be absolutely kept as agreed. However, if the supplier notices an excession of the delivery date, he has to inform the buyer immediately and in writing about the reason and the expected duration of the delay. This does not affect the consequences of a delay in delivery.
- 3.2 Delivery has to be indicated immediately after shipment in two copies and mentioning the order number and reference number. Partial shipments have to be indicated.
- 3.3 Delivery has to be done to the place of supply as specified by the buyer by the fastest way and means of shipment. The buyer has no obligation to accept goods without proper shipment papers. The supplier is liable for the consequences of incorrect information on the shipment papers.
- 3.4 If the buyer bears the costs of shipment, the supplier has to select the cheapest way of transport. In any case, the shipment instructions of the buyer have to be followed absolutely.
- 3.5 The risk passes to the buyer when the goods are actually handed over to him, or at the final inspection of a machine or plant.
- 3.6 The buyer has no obligation to accept COD shipments.

### 4. Payment

- 4.1 Invoices are to be addressed to the accountancy department mentioning the order number. They must not be added to the shipment.
- 4.2 Payments are due within 14 days from receipt of invoice with a 3% cash discount, within 30 days net. This term does not begin before complete and free-of-faults supply.
- 4.3 Partial invoices are to be indicated.
- 4.4 Payment by acceptance is permitted.

### 5. Provision of material

- 5.1 Material provided the buyer remains in his property.
- 5.2 The provided material has to be carefully kept by the supplier. The supplier has to inform immediately in case of any loss or damage.
- 5.3 In processing or mixing with other goods, the buyer becomes co-owner. The amount of co-ownership is based on the relation of value of the provided material to the other material. The supplier grants co-ownership to the buyer for this case and commits himself to execute the co-ownership for the buyer by free-of-charge safekeeping.

### 6. Defects and compensation

- 6.1 Notice of defects is to be given within two weeks from discovery There is no obligation to investigation for the buyer
- 6.2 If the supplier does not follow the buyer's call for contract fulfilment or rectification even after a short extension of the term of delivery, the buyer has the right to improve the defect himself or to obtain the material from another source. For this purpose, the supplier has to hand out the required documentation (plans, drawings etc.) and data. In this case the buyer has the right to give the third party in charge of improvement all information and documentation which are necessary to produce defect-free material in the shortest time possible. A previously concluded confidentiality agreement does not contradict to this.
- 6.3 For goods improved or supplied in substitution the warranty period begins at the time of handing over of goods.

### 7. Reservation of ownership and assignment of claims

- 7.1 The buyer only accepts plain reservation of ownership.
- 7.2 The assignment of claims to the supplier on the basis of this contract is excluded.

### 8. Final provisions

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- 8.1 This contract is subject to German Law.
  - 8.2 The place of jurisdiction is the court of law competent at the domicile of the buyer. The buyer is free to sue the supplier at his choice at the court competent at the supplier's domicile.
  - 8.3 The use of the buyer's name for advertising purposes is not permitted.
  - 8.4 Unloading hours are Monday to Thursday, 7.30 hrs. to 16.00 hrs., and Friday, 7.30 hrs. to 15.00 hrs.
  - 8.5 For works on the premises of the buyer, the "Guidelines for conduct on the PLANSEE factory premises" are to be absolutely kept.
  - 8.6 Visits to the buyer are done only after prior agreement with the responsible persons at the purchasing department.
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