

**General Conditions of Sale**

Geroldinger GmbH, as of October 2018

For all legal relationships with our customers, especially also for all enquiries, offers and orders, the following General Conditions of Sale (**GCS**) apply exclusively, unless expressly deviating written agreements on the part of a representative of our company are provided. All conditions of customers are hereby expressly rejected and have such conditions, especially irrespective of whether they partially or completely contradict these GCS or the regulations extended beyond these, at least not valid for our contractual relations with the customers. With the order, the customer expressly acknowledges the exclusive validity of these GCS. Should the customer want to reject the present GCS, this requires immediate written notification, in which case we can withdraw the order without the customer having any claims, and in the absence of such immediate notification, the desired rejection is ineffective. These GCS also apply to all future contractual relations with the customer, unless deviated from by written agreement.

**1. Conclusion of contract/order**

1.1. All offers from us are non-binding. All orders and agreements, as well as their possible amendment or addition, are only legally binding for us if they are signed on behalf of the company. Silence shall in no case denote consent.

1.2. A partial or complete transfer of the order to subcontractors is permissible at any time and for this purpose the customer's consent is expressly granted.

1.3. Unless otherwise agreed in writing, these GCS are also included in any possible framework agreements.

**2. Prices, payment**

2.1. All prices are understood to be ex works, excluding packaging and loading. The sales tax in the respective statutory amount, as well as any other possible taxes, fees, customs and other charges at the time of delivery/performance, shall be borne by the customer and will be charged additionally. The same applies to packaging costs, freight costs, costs of possible transport insurance to be taken out by us, as well as other costs incurred in connection with the execution of the contract. The customer must provide us with all documents necessary for the determination of dues and costs and for accounting, such as freight documents or export certificates. Packaging material must be disposed of by the customer. The customer must support us adequately in executing the order, for example by providing the plans, drawings, calculations or other information necessary for execution. We especially provide our services based on information about, among other things, layout, machine and process parameters, as well as legal requirements, which we have to obtain from the customer prior to making the offer.

2.2. Should it be agreed otherwise, that such costs are included in the price, a possible increase in costs after completion of the contract will be charged to the customer.

2.3. If certain prices and/or conditions are agreed upon in a framework agreement, these prices and/or conditions are subject to the express requirement that price-forming factors beyond our control (e.g. producer/supplier prices, collective agreement fees, forwarding costs, etc.) do not change in sequence; if there is a change, we are entitled to make the appropriate adjustment after notifying the customer. If the customer does not agree, we are entitled to revoke the framework agreement with immediate effect.

2.4. The agreed price is due upon provision of the goods or service according to point 4 against invoicing by us without any deduction and free of charge in the agreed currency and otherwise in euros to one of the bank accounts specified by us within 10 days for payment. The day of payment is the day we receive full payment and free availability on our account. If no terms of payment have been agreed upon, 40% of the purchase price will be due upon placing the order and 50% after the delivery item or essential parts thereof are ready for despatch. The remaining 10% of the purchase price is due upon completion of the order. Checks and bills of exchange are accepted by us only by separate agreement on account of payment. Any fees and expenses of any kind associated with this shall be borne by the buyer. In the case of agreed payment by letter of credit (L/C), the customer must arrange for the opening of an irrevocable L/C to be confirmed by our bank according to our instructions in line with the Uniform Customs and Practice for Documentary Credits of the International Chamber of Commerce applicable to the conclusion of the contract.

2.5. The customer is not entitled to offset or assert rights of retention - for whatever reason.

2.6. Default of payment shall be charged a default interest of 8 percentage points above the value of the 3 month EURIBOR at the time of maturity.

2.7. All our claims become due immediately if payment conditions are not met or circumstances become known that we deem to reduce the customer's creditworthiness. In such a case, we are entitled to carry out outstanding deliveries and services only against advance payment or, after a reasonable period of grace, to withdraw from the contract for the advance payment or provision of an appropriate security of payment and to demand non-performance damage. Furthermore, the customer is prohibited from using this disclosure by us, the processing and/or work of the goods, as well as the resale and we can demand the retransfer of the goods at the expense of the customer.

### 3. Acceptance test

3.1. If an acceptance test has been agreed, the material costs of the acceptance test to be carried out at the factory during normal working hours shall be borne by us. The personal costs of acceptance, such as travel and accommodation costs etc., for the customer's agent or their representative are to be borne by the customer.

3.2. The customer has to declare acceptance or immediately make a complaint. In the absence of such a complaint or acceptance, the goods are deemed to have been delivered as agreed upon. If an acceptance does not take place in good time or completely, we shall be entitled to despatch or store the goods at the expense and risk of the customer without acceptance, and the goods shall be deemed to have been delivered and approved as agreed upon in every respect.

### 4. Delivery, performance

4.1. Place of performance and place of transfer of risk, as well as the cost transfer is at the respective manufacturer's. Delivery occurs at EXW Sigharting, Austria (or another EXW manufacturer if stated by us in writing) (in the current version of INCOTERMS 2010).

4.2. Notwithstanding point 4.1. the means of transport and the transport route of our choice are up to us, and we determine the forwarder and/or carrier.

4.3. Regardless of the agreed shipping method, the delivery of the goods with provision in the respective manufacturing plant is deemed to have taken place, at which time the risk and costs are transferred to the buyer. The buyer is obliged to take out a sufficient amount of insurance to cover all risks regarding transport, storage and assembly including commissioning and performance test of the goods or service.

4.4. Delivery times and dates are always considered as approximate. An under- or over delivery of up to four weeks is still considered to be in good time. Compliance with the delivery dates and delivery periods is furthermore conditional on compliance with the obligations to be fulfilled by the customer, such as payment conditions and other conditions. In the case of the customer's pre-performance obligations, the delivery periods begin at the earliest with fulfilment of these obligations. The delivery period is extended appropriately in the occurrence of unforeseen or extraordinary events.

4.5. In the event of a delay in acceptance or postponed delivery date requested or caused by the customer (especially an obligation to secure payment, such as the performance of a partial payment, the issuance of a bank guarantee or the opening of a L/C), the service shall be deemed to have been provided as and thus the transfer of risk and allocation of costs as completed, and we can demand full payment. At this time, regardless of the agreed delivery condition, any risk, including damage, loss or destruction of the goods, passes to the customer. In accordance with the period of delay expected at this time, the storage or interim storage or the despatch of the goods shall be made by us in an appropriate manner at the expense of the customer. We can retain the goods until such costs are covered.

4.6. We may substitute specifications that are not suitable for the purpose of the contract with equivalent and appropriate specifications. In case of possible subsequently agreed upon changes and changed specifications, the delivery period is extended appropriately. Any additional costs incurred thereby will be charged to the customer and shall be borne by them. We may retain the service until such costs are covered. The customer will check the performance conformity according to local regulations in the country of installation and commissioning and must appropriately cooperate with such conformity and will indemnify and hold us harmless in the case of claims by third parties or authorities for non-conformity and/or other deviations. All tapes, machines, components and materials are manufactured according to applicable EU directives in the metric system within the technically feasible and appropriate physical parameters appropriate to the application.

4.7. In case of delay in delivery, the customer must grant us a reasonable grace period, which must include at least 10 working days.

4.8. The customer is not entitled to reject partial deliveries.

### 5. Warranty

5.1. Decisive for the contractual condition of the service is the time of the provision of the goods in the factory or the time of the service.

5.2. We are obliged to remedy defects affecting usability according to the following provisions, insofar as they are based on a defect in material (except in the case of provision of material by the customer) or an error of execution, a complaint according to point 5.3. has been reimbursed in good time and the warranty is enforced within six months of the date of provision. After expiry of the six-month period, liability for defects, for whatever reason, is excluded. Warranty-related work or deliveries will not extend the original warranty period. Claims from the title of the warranty can only be made by the customer.

5.3. Complaints of defects must be immediately received by us in writing after receipt of the service, upon earlier acceptance or earlier performance deadline immediately after this, with regard to hidden defects immediately after their discovery – with immediate cessation of use or possible processing and/or work or resale of the goods.

5.4. The customer always bears the burden of proof that any defects were already present at the time of provision, especially if a material defect is alleged.

5.5. In addition, a warranty claim of the customer only exists if the customer has fulfilled all the reasons for payment and other obligations.

5.6. The warranty claim is limited to our choice to repair or replacement of the service within a reasonable time or on reduction of the purchase price. The warranty does not cover defects or damage resulting from negligent or improper treatment or use of the service by the customer. We also make no guarantee that the performance is suitable for a particular purpose. We only

guarantee for those features of our service, which were agreed expressly and in writing. All statements made by us or our representatives regarding the usability of the service, be it in digital or other form, are always non-binding and do not represent an express assurance of particular characteristics. The properties specified in the brochures and leaflets are only intended as a guideline. In addition, we cannot guarantee any feasibility and/or a specific profit and/or a specific achievement. Wear parts are excluded from the warranty. The warranty is also excluded in the case of the use of substances, products or processes by the customer, whose use in connection with the service is not provided. All claims arising from warranty and the like expire immediately if attempts are made to remedy the defect by the customer or a third party on the delivered service without our prior written consent. Any repair or assembly work that is not carried out by us is at your own risk and we assume no liability.

5.7. If the customer gives us no opportunity to convince them of the existence of the alleged defect (to the greatest extent possible by immediately making available the rejected goods or samples thereof), all claims for defects are void.

## **6. Repair orders**

We carry out the customer's repair orders only excluding any liability for any success, as well as for damages or defects of any kind. If, in the case of a product being repaired, the customer fails to issue instructions for further procedures within three months of our comments on a repair request, we can postpone the product at the cost and risk of the customer. Failure to return the product within one month or if we deliver replacement, ownership of the product will be forfeited in our favour.

## **7. Intellectual property**

All intellectual property rights in connection with the contractual products, components, services and processes (including patents, trademarks, samples, copyrights, design, know-how and commercial, technical and operational and other information, as well as any inventions and other developments connected to the contract) are our sole responsibility, and the customer, with the exception of the use granted to them according to the contract, has no rights (especially no further license rights or other rights). Only we have the right to use and exploit these rights, and to register or declare property rights, or otherwise to maintain or protect our rights, and to exercise all intellectual property rights or other property rights, including the right of prior use. We guarantee freedom of intellectual property rights only if and to the extent that this has been expressly agreed in writing and the entire construction is based on an unchanged specification from us. Even in such a case, the amount of liability by us is limited to the order value. In addition, the customer undertakes to indemnify and hold us harmless in the event of infringement of third-party property rights. Insofar as the use of property rights for the provision of services is required, the customer will ensure a lawful use.

## **8. Copyright**

We reserve all rights, especially copyrights, as well as usage rights, to all project and delivery documents and similar items, including offers, designs, drafts, drawings, sketches, plans, descriptions and manuals. These documents or similar items, even if they are not ours, may not be used by the buyer in a manner beyond the scope of the contract. They must be returned to us immediately upon request.

## **9. Confidentiality**

The buyer may not directly or indirectly use or disclose any information from us to third parties, unless it requires the proper and ordinary use of the services to be provided. The buyer shall take all necessary precautions to keep the information from us confidential under all circumstances, including, without limitation, ensuring that, if information is disclosed to employees or other persons, this is done only in the context of a confidentiality obligation and only for the direct purpose of their activity in connection with our performance. Upon termination of the agreement, termination of co-operation or termination of services, the buyer must return to us all documents containing information from us, permanently delete electronic information and destroy copies; the buyer has no right of retention.

## **10. Retention of title**

10.1. We reserve the right to ownership of our services until full payment. The customer must comply with the necessary formal requirements for preserving the retention of title and observe all necessary publicity, registration and other formal requirements, whereby the customer has to indemnify us and hold us harmless in the event of failure to do so for any resulting disadvantages.

10.2. The customer may sell the reserved goods only in the ordinary course of business, at its normal conditions, and only as long as they are not in arrears. But only under the condition that the customer validly agrees with its buyer an extended retention of title and that the claims from the resale pass to us as a precaution. The extended retention of title expires on resale only through the full payment by the customer's buyer and receipt of the claim against the customer on our end. The customer is not entitled to any other disposal of the reserved goods.

10.3. All claims of the customer from the resale of the reserved goods against its buyers are hereby assigned to us as security. The customer is obliged to set a corresponding entry in their bookkeeping (item list) for the respective claims and/or to inform the third-party debtor. We are also entitled to inform third-party debtors about the assignment. The security assignment with respect to all the customer's individual claims against its buyers does not expire until all our claims against the customer have been fully settled.

10.4. The assertion of the retention of title by us shall not count as a withdrawal from the contract.

#### **11. Force majeure**

The occurrence of unforeseeable circumstances or those independent of the will of either party, especially all cases of force majeure, or if an export permit or other permit or license cannot be obtained, entitles us to extend the delivery dates and periods according to the scope and duration of these circumstances and their consequences, without the customer being able to derive any claims from this, especially a right of withdrawal from the contract or a claim for damages. However, in the event of such circumstances, we are also entitled to completely or partially cancel the order without the customer being able to derive any claims from this.

#### **12. Liability and damages**

12.1. Liability for us is excluded for involuntary events and for slight, as well as simple gross negligence and limited to damages that arise on the subject of the service itself. The liability for the replacement of consequential damage (for example, due to production losses) or losses, lost profits, pure financial losses or other damage or costs are especially excluded.

12.2. Liability from us is further limited to the performance of a public liability insurance and beyond, in any case, on the order value of the service underlying the respective claims.

12.3. Liability for vicarious agents is excluded to the same extent.

12.4. The above exclusions of liability also include non-mandatory claims under the Product Liability Act (PLA) or similar regulations. If compensation is paid by the customer on the basis of the PLA or similar regulations, reimbursement by us is excluded. The buyer shall indemnify and hold us harmless if claims of any kind whatsoever, especially those arising from the title of product liability, are asserted against us by third parties from the use or resale of the goods.

#### **13. Withdrawal from the contract**

13.1. In addition to the powers we have under applicable law or contract, we are entitled to terminate the contract without setting a grace period if insolvency proceedings are opened against the customer's assets, or insolvency claims are denied for lack of cost-covering assets, or if the buyer ceases payments, or all or several creditors propose a reduction in payment or deferment of payment or are insolvent or threaten to become insolvent. We are also entitled to interrupt our services if the customer fails to fulfil one of their obligations or is not punctual.

13.2. Until the delivery of the goods or provision of the service, we are also entitled at any time to withdraw from the contract, if we should have made a substantial error in the calculation of the offer or price information. In such a case, the customer has no claims against us.

#### **14. General information**

14.1. All legally relevant declarations, including amendments and additions to the conditions specified here, must be made in writing in order to be legally effective and must be submitted in German or English.

14.2. The contestation or adaptation of contracts by the customer due to error or a reduction of more than half is excluded.

14.3. If individual conditions of these GCS are legally invalid, the remaining conditions remain valid. The customer agrees that in this case, instead of the invalid provision, we will establish a legally effective and legally identical condition.

14.4. The conditions of the version of the INCOTERMS valid at the conclusion of the contract shall apply, unless the contract or these GCS stipulate otherwise.

14.5. Points 7, 8, 9, 12, 14 and 15 shall remain in effect even after the contract has been terminated, regardless of other provisions that remain valid by their nature.

#### **15. Place of jurisdiction, dispute resolution and applicable law**

15.1. For all disputes arising out of or in connection with our contractual relationships with customers located within the European Union or an EFTA State, Sigharting, Austria, is agreed as the exclusive jurisdiction of the objectively competent court. All disputes arising out of or in connection with contracts with customers based outside the European Union or an EFTA State shall be finally settled under the rules of arbitration of the International Chamber of Commerce (ICC) by one or more arbitrators appointed according to this policy. The arbitration panel is located in Ried, Austria. The language of the proceedings is German. In both cases, however, we reserve the right to also sue our claims at the customer's regular place of jurisdiction.

15.2. All legal relationships with our customers are subject exclusively to Austrian substantive law. The United Nations Commission on International Trade Law (UNCITRAL) and provisions referring to different jurisdictions expressly do not apply.