

K industries GmbH

Krestastraße 1
9433 St. Andrä

P +43 4358 3811-0
F +43 4358 3811-199

info@k-industries.at
www.k-industries.at

GENERAL TERMS AND CONDITIONS OF PURCHASE

The General Terms and Conditions of Purchase of the Client shall apply exclusively. The Client does not recognize any divergent terms and conditions of the Contractor except if the Client expressly consents to the applicability of these in writing.

The General Terms and Conditions of Purchase also apply exclusively even if the Client accepts deliveries/services or pays for such while having knowledge of terms and conditions of the Contractor which are contrary to or deviate from these.

1. Orders

Orders are only binding when they are issued by the Client in writing. Verbal agreements require written confirmation by the Client to become effective. This also applies for subsequent amendments and/or additions to these General Terms and Conditions of Purchase. Cost estimates shall be provided without remuneration and, for the duration of their period of validity, constitute a binding basis for the orders which result from them.

2. Order confirmation

Every order must be confirmed promptly in writing, at the latest within 3 days, including an indication of our complete order reference. After expiration of this time period, the order is deemed to be accepted in full and to our General Terms and Conditions of Purchase. General terms of business or any type whatsoever, especially including terms of sale and other terms of delivery which contradict these General Terms and Conditions of Purchase are fully and completely ineffective.

3. Prices

The prices are fixed prices and apply including packaging, preservation, transport insurance, customs and delivery carriage paid to destination in accordance with INCOTERMS as amended. The fixed prices include everything which the Contractor must attend to in order to fulfil his delivery and service obligations. The goods must be packaged in a commercially customary, appropriate and proper manner suitable for transportation. Packaging materials can be sent back at the Contractor's request, expense and risk.

4. Delivery/performance deadlines

Prescribed deadlines are binding and must be kept punctually. If agreed deadlines are not kept, the Client can either demand subsequent delivery and damage compensation due to delayed delivery or withdraw from the contract. Any delivery or service provision before the agreed deadlines entitles the Client to reject the delivery/service until it is due.

If the Contractor recognizes that he will not be able to meet an agreed deadline, he must notify the Client of this in writing without delay including a statement of the reasons as well as the expected duration of the delay.

Unconditional acceptance of the delayed delivery/service shall not be construed as a waiver of the damage compensation claims due the Client.

The Client is entitled to invoice to the Contractor a delay penalty for every commenced week of delay beyond the delivery deadline in the amount of 1% of the value of the delivery/service without furnishing any evidence of damage. This shall not exclude the exercise of additional damage claims in the event of a delay.

If a subsequent instruction of the Client makes compliance with the delivery deadline impossible, the Contractor must provide notification of this in writing promptly. A new delivery deadline shall be agreed between the contractual parties in writing. The originally agreed terms shall apply for any overrun of this alternative deadline.

Should the delivery/service be delayed due to a strike at the time of the agreed delivery which takes place in the Contractor's own sphere of influence or in that of one of the subcontractors engaged by the Contractor, all of the provisions of the General Terms and Conditions of Purchase shall remain fully in force. Should the Client be faced with claims on the part of third parties due to the aforementioned strike scenario and any non-compliance with delivery/service deadlines arising from it, the Contractor is obligated to compensate the Client for the damages which arose in this connection.

5. Scope of delivery/services

The delivery/service must be provided carriage paid to the place of performance agreed in the order and at the risk of the Contractor. Services/deliveries directly to customers of the Client must only be provided after the Client has given written consent. Partial deliveries are also permitted only upon written consent of the Client. In the event of deviations from the agreed scope of delivery/services, the Contractor is only entitled to additional charges or deadline changes if a corresponding written supplementary agreement was made with the Client before execution. The scope of delivery/services includes, among other things, the assignment by the Contractor to the Client of the ownership of all

technical documentation (including from sub-suppliers) as well as of other documentation required for new fabrication, maintenance and operation. Moreover, the scope includes the assignment by the Contractor to the Client of all usage rights which are required for the use of the deliveries/services by the Client or by third parties. All deliveries/services must comply with state-of-the-art engineering practice and the relevant standards.

6. Acceptance

The legally effective acceptance of the delivery takes place only after inspection of the entire delivery by the Client, even if its receipt has already been confirmed or the invoice has been paid. The Contractor warrants that the delivery/service has the agreed properties and serves the intended application purpose. Should costs arise for the Client as a result of a defective delivery/service, such as transport, road, wage or materials costs, the Contractor is obligated to bear these costs. Notification of defects must be made by the Client within a period of 30 days. In the case of hidden defects, this period begins only at the time the defect is discovered. The Contractor waives the right to object due to a delayed notice of defects if the defects are not obvious.

All defects for which notification has been made must be rectified by the Contractor without delay in such a manner that no costs arise for the Client. The costs for the rectification of defects or replacement delivery/service including all ancillary costs (e.g. freight, third-party contractors, etc.) shall be borne by the Contractor. If the Contractor does not begin with defect rectification promptly and does not perform the delivery/service in accordance with the contract, the Client is entitled to carry out the required measures himself or have them carried out by third parties at the expense and risk of the Contractor. In the event of an urgent situation in which, due to the exceptional urgency, it is not possible to bring the defect and the imminent damage to the Contractor's attention and give him a time period to remedy it himself, then the Client is entitled at the Contractor's expense to rectify the defects himself, have them rectified or to procure a replacement. The legal rights concerning withdrawal or damage compensation remain unaffected.

7. Warranty

The Contractor warrants that the delivery/service is free of defects for a period of 3 years from the time of handover of the delivery/service. Through acceptance of the order, the Contractor expressly declares that no rights, in particular, no protective rights of third parties, apply to the object of the delivery. In the event that the rights of third parties are nonetheless exercised, the Contractor assumes the obligation to hold the Client free and harmless and to fully reimburse the Client for every form of damage arising therefrom. The Contractor assumes the same warranty obligation for goods and components which he delivers but which he did not manufacture himself. Furthermore, the Contractor is unconditionally liable for all manner of damage which he has caused.

8. Product liability

The Contractor warrants as well that the product is free of defects with respect to design, production and instruction in terms of the provisions of product liability law (Federal Law Gazette (BGBl) No. 99/1988 of 21-01-1988). He warrants in particular that, according to state-of-the-art scientific and engineering practice at the time of marketing, no defects whatsoever could be detected in the product.

In the event of claims being brought against the client, the Contractor is obligated to hold the Client free and harmless. The Contractor is obligated to name the manufacturer or his upstream supplier upon request of the Client at any time.

9. Substandard goods

For substandard goods the return of which is carried out at the Contractor's expense and risk, the Client retains the right to waive or demand a replacement delivery. The transportation of the replacement goods shall be at the expense and risk of the Contractor. Should damage to the Client arise from this, then the Contractor shall bear the corresponding costs.

10. Invoicing

All invoices must include all requested documentation and are to be sent in the PDF format to invoice@k-industries.at via email. Under no circumstances may invoices be included with the goods or be handed over to individual persons representing the Client. The order data and the manner of shipping must be noted on all invoices.

11. Payment

Payments, unless otherwise arranged, must be made within 21 days at a discount of 5% or net within 60 days after invoice receipt. If the delivery requires a notice of defects, payment is to be made only after satisfactory rectification. Should the agreed documentation and/or certificates be absent at the beginning of the payment period, the documentation is deemed to be incomplete and the payment period begins only after all missing documentation has been received. The Client pays exclusively by means of bank transfer. We do not accept cash or check payments nor do we issue such. The Contractor is in agreement with every manner of mutual set-off of amounts receivable and amounts due. COD shipments will not be accepted. Any cession requires our written consent.

12. Retention of title

Because the goods ordered by the Client generally become part of the Client's products through working and processing and any retention of title expires, all deliveries to the Client must be undertaken free of any such retentions. If the order acceptance or the invoice nonetheless contain such retentions, these are void even without any express objection on the part of the Client.

13. Order documents

The drawings and designs which accompany inquiries or orders as well as samples, models, stereotypes and other included aids of the Client remain the Client's property and must not be distributed in any manner without the Client's written consent. They are to be returned to the Client with the offers or after completed execution of the order without any special request. Use of the order for advertising purposes is not permitted. The order and all particulars, documents, etc. relating to it must be handled with strict confidentiality as business secrets. No remuneration whatsoever will be granted for the processing of offers, plans, etc.

Supplementary pages of a technical or commercial nature enclosed with the order (documentation, attachments, warranty conditions, etc.) are an integral part of the order.

In the event of contradictory provisions in the order documentation, the following order of precedence shall apply: - Purchase order text - Our special technical and/or business documents - General Terms and Conditions of Purchase

14. Forwarder contracts

The provisions of the General Terms and Conditions of Purchase of the Client also apply for orders based on a freight forwarding contract. Moreover, these orders or contractual relationships exclude the application of the General Austrian Forwarders' Terms and Conditions (AöSp).

15. Place of performance

Unless otherwise prescribed, the place of performance for the delivery is A-9433 St. Andrä, Krestastraße 1.

16. Place of jurisdiction

For both parties, A-9020 Klagenfurt am Wörthersee is agreed exclusively as the place of jurisdiction. The contractual relationship is subject exclusively to Austrian substantive law under the exclusion of the UN Convention on the International Sale of Goods.

17. Partial ineffectiveness

Should individual provisions of these terms and conditions be entirely or partially ineffective, the remaining provisions shall remain fully valid. The same applies for the respective contract.