

General conditions of purchase for the purchase of goods and services

This contract defines purchasing conditions between Ochsner and its **suppliers**.

Unless otherwise specified in Ochsner orders or agreed in writing with the supplier, these general conditions of purchase apply to the purchase of goods and services. The supplier's terms and conditions of supply, even where stated in the confirmation of order, will not be recognised by Ochsner unless expressly confirmed in writing.

The supplier agrees that the personal information contained in the contract is to be stored and processed by OCHSNER in fulfilment of this contract with the help of automated data processing.

§1 Definitions:

- 1.1 The Contractor shall manufacture or deliver the goods or services defined in this agreement.
- 1.2 The Client, hereinafter also referred to as OCHSNER, shall order and buy the services from the Contractor.
- 1.3 Performance refers to all necessary products, processes, services, transport services, documentation and deliveries defined in the scope of goods and services and deriving from this agreement or from orders placed by the Client.

§2 Social and ethical code of conduct

2.1 The Client supports the social and ethical intentions of the ILO and UN conventions for the protection of human rights. The Client confirms its observance of the conventions and requirements listed below, both internally and in respect of its suppliers.

- a) Observance of applicable national laws and regulations, industrial minimum standards and ILO and UN conventions. Regulations or conventions that provide better protection for employees shall be applied.
- b) Prohibition of discrimination in relation to sex, age, religion, race, social class, social affiliation, disability, ethnic or national origin, nationality, membership of organised associations and trade unions, political convictions, sexual orientation or other personal characteristics.
- c) Payment of the legal minimum wage and above. In cases where the legal minimum wage is insufficient to meet the cost of living, companies will enable employees to meet their cost of living expenses through supplementary payments.
- d) Overtime shall be a voluntary service provided by the employee whereby the maximum permissible normal working time per week of 48 hours and the maximum permissible overtime of 12 hours per week may not be exceeded, except there are other legal regulation.
- e) Maintenance of adequate safety equipment at the workplace to protect the health of employees. Prohibition of working conditions and workplaces that breach human rights.
- f) Prohibition of child labour
- g) Prohibition of forced labour
- h) Support of environmentally-friendly working conditions, waste and recycling concepts and measures to reduce emissions by complying with or improving on national laws.

§3 Quotations, orders

3.1 In connection with enquiries and requests for quotations, the Contractor shall ensure that the quotations comply with the contractual conditions of this agreement.

3.2 The period of validity of quotations issued by the Contractor shall not be less than 90 days.

3.3 The Contractor's quotation must adhere exactly to the details specified in the enquiry. The quotation shall be prepared at no cost to the Client.

3.4 Only written orders shall have effect. Verbal and telephone orders shall not be binding on OCHSNER unless they include the express instruction that a signed, written order will not follow. All orders must be confirmed by the Contractor in writing.

3.5 Frame Orders or planning orders which are identified with the leading letters "RA" followed by a Frameorder number are for resource planning and planning scenarios only, and shall not be taken as a fix and firm order. Binding orders and authorisation to ship are identified with a leading "B" followed by a numbers.

§4 Confirmation of order

4.1 If a written confirmation of order is not received within 7 days of the date of proof of sending of the order by the Client,

- a) the Client will no longer be bound by the order and may cancel it with no financial consequences for the Client.
- b) the order and its contents will be assumed to have been accepted by the Contractor.

§5 Delivery and documentation

5.1 The two contracting parties agree as a matter of principle that the Contractor shall be responsible for implementing and meeting agreed deadlines.

5.2 The order shall not be deemed to have been completed until all documentation has been delivered in full. Both agreed technical documentation and agreed quality documents including acceptance reports, quality checklists and test reports form a part of the ordered product or service. When collecting or delivering goods, a delivery note in German or English which satisfies the Client's criteria must be handed over. The minimum requirements are the order number ("B" number), Ochsner part number, description and quantity of the item, Contractor's delivery note number and date.

5.3 Products and services shall be delivered on the agreed dates. These dates shall be specified in the Client's order.

5.4 The agreed delivery window allows the Contractor to deliver the goods up to 2 (two) working days before the agreed delivery date. Delivery after the agreed date is not permissible.

5.5 If a delivery by the Contractor falls outside the agreed delivery window, the Client shall be entitled to return the delivered goods at the Contractor's expense or to have them stored by a shipping company on a temporary basis at the Contractor's expense.

§6 Invoicing

6.1 Invoices must be submitted as a single original copy by post or e-mail as a pdf-file to OCHSNER's Purchasing department and must specify OCHSNER data such as the order number ("B" number), part number and quantity. Under no circumstances should original invoices be included with the delivery. The Contractor's invoices must correspond to the details of the Client's order.

6.2 Invoices which do not meet the above requirements will not be accepted and will be returned.

§7 Deliveries, transfer of title and transfer of risk

7.1 Unless otherwise agreed in the orders, the delivery conditions of DDP Haag as defined in Incoterms 2010 apply.

7.2 The place of transfer of risk is defined as the place of destination specified in the order. Transfer of risk is subject to the conditions of completeness of delivery as specified in § 5.2.

7.3 Transfer of title and transfer of risk shall take place on the delivery date and at the place stated in the order unless the ordered goods arrive at the place of destination more than 2 days in advance of the agreed delivery date. In such a case the transfer of title and transfer of risk shall take place on the earlier of the two following dates:

- a) the date on which the Client uses the goods
or
- b) 5 days before the agreed delivery date.

§8 Packaging

8.1 The packaging chosen by the Contractor shall in all cases meet the following minimum requirements. The packaging of each packing unit

- a) shall bear a means of identification of the contents (Ochsner part number, quantity) visible from the outside
- b) shall include a delivery note and requested accompanying documentation affixed to the outside in a waterproof, easily-removed envelope
- c) shall be able to be loaded and unloaded safely and freely using industry-standard loading gear and forklift trucks
- d) shall be capable of ensuring that the actual goods survive transportation undamaged and shall be appropriate to the means of transport
- e) shall have no sharp edges, protruding nails or screws or similar which could represent a danger to employees handling the goods
- f) shall avoid unnecessary filling materials and multiple outer wrappers
- g) shall protect the goods from environmental influences such as rain, water splashes, UV radiation and heat

8.2 Changes to the type of packaging from previously approved packaging concepts must be confirmed by the Client in writing.

8.3 The Contractor shall ensure compliance with national packaging regulations in force at the place of destination. The Client is entitled to demand the free recovery of packaging.

§9 Deviations, defects, remedy of defects

9.1 The Contractor shall notify the Client in writing without delay of any deviation in the agreed product features, dates, quantities or grades.

9.2 The Contractor undertakes to take all conceivable actions and measures on its own initiative to prevent any damage to the Client or to the Client's customer. Should there be no possibility of avoiding such damage, the Contractor shall likewise take appropriate actions and measures on its own initiative to minimise or to limit the damage as far as possible.

9.3 If a defect is established by Ochsner, the Contractor will be notified of the defect.

With a view to minimising the damage as described above, the Contractor can choose to

- a) rectify the defect itself and to organise the necessary transport on its own initiative or to
- b) instruct a third party in the form of an authorised specialist company to rectify the defect whilst protecting the right to warranty claims or to
- c) instruct the Client to remedy the defect at the Contractor's expense, whilst at the same time protecting the right to warranty claims.

9.4 Should however there be imminent danger or the risk of substantiated consequential damage which precludes the selection of the first two options, the Client shall be entitled to avert the potential consequential damage on the Contractor's behalf and to choose option c) from 9.3 and remedy the defect itself or through the offices of a third party. The right to warranty claims shall be protected in all cases.

§10 Product labelling

10.1 The Contractor undertakes to label and identify its products in a proper manner. The Contractor shall ensure that its products are labelled and identified in accordance with the requirements of OCHSNER drawings and specifications. The means of product labelling and identification shall be such that it remains legible and unambiguous after transportation and exposure to environmental influences, in accordance with the area of use.

10.2 If the products or sub-components delivered by the Contractor are subject to CE marking requirements or should the requirement for CE marking arise through their installation or operation in end products of the Client, the Contractor shall bear the responsibility for the appropriate product labelling and shall if necessary assist the Client free of charge in fulfilling its CE marking obligation.

This is also valid for REACH, RoHS, EMC, LVD, PED,... documentation, which are necessary to put on the market in the European Union, Switzerland and UK.

§11 Product warranty

11.1 The Contractor shall guarantee that the products and services it delivers are free from defects and shall be liable for product and consequential damages arising from defects for which the Contractor bears responsibility.

11.2 The Contractor shall guarantee its faultless product by giving a full warranty for 60 months from the date of delivery to the Client. Warranty conditions over and above these provisions shall be individually agreed in the order.

§12 Penalties

12.1 Delay

12.1.1 Should the Contractor fail to deliver within the agreed delivery window, it shall be held with immediate effect to be in default.

12.1.2 If the Contractor is responsible for a delay in delivery, the Client shall be entitled to apply penalties if necessary. A delay in delivery which is not the responsibility of the supplier is excluded from this provision. The exclusions are set out under "Authorised delay".

12.1.3 For each week or part week of delay, the Client shall be entitled to deduct 2.5% of the value of the ordered goods from the invoice as a penalty. The maximum penalty is limited to 10.0% of the value of the ordered and delayed goods. Should the Client decide to enforce this penalty, the Contractor will be notified in writing.

12.2 Deviations from warranted features, quality defects

12.2.1 In the event of deviations from and defects in product features warranted by the Contractor, the Contractor shall receive a written defect notification. The Contractor shall return unprompted the completed defect report required by the Client within 48 hours.

12.2.2 If the deviations and defects are within the area of responsibility of the Contractor, the Client shall be entitled to impose penalties.

For each defect notification, the Client will incur quality defect processing costs as follows:

- a) for defects identified on receipt of goods by the Client: €100.00.
- b) for defects identified within the Client's production system: €200.00.
- c) for defects identified by the Client's customer: €400.00.

12.2.3 The defect notification will be recorded in the Client's quality system. The Client is entitled to convert the quality defect processing costs into a penalty and to charge them to the Contractor.

12.3 Reservation of general liability for damages

Should the Client decide to impose said penalties, the calculated penalty figure shall not relieve the Contractor of the general liability for damages or product liability.

§ 13 Liabilities

13.1. The liability of the Contractor complies with the legal regulations, as far as there are no other regulations noted in this contract. In the case that the delivered goods show nonconformance in the sense of product liability and the Client engages, the Contractor holds the Client harmless and uncomplaining.

13.2 The Contractor is obliged to add instruction manual, storage of all necessary documents and accurate product observation.

13.3. The Contractor is obliged to negotiate a factory- and product- liability insurance with a statutory minimum cover of at least 2.000.000 Euro and a company statutory minimum cover of at least 10.000.000 Euro.

§14 Authorised delay

14.1 The following criteria shall authorise a delayed delivery by the Contractor. All criteria must be met.

- a) The Contractor has notified the Client immediately in writing
and
- b) the Contractor has been able to prove comprehensively and to the satisfaction of the Client that the delay is outside its area of responsibility
and
- c) the reasons for the delay were not foreseeable and corresponding precautionary measures would not have been effective.

14.2 Accepted reasons may include strikes, lock-outs, blockades and embargoes affecting subcontractors of the Contractor. Strikes, lock-outs, blockades and embargoes affecting the Contractor directly are not accepted reasons for an authorised delay.

14.3 An authorised delay will not relieve the Contractor of the obligation of performance in accordance with the order. However, the Client is entitled to cancel all or part of the orders affected by the delay.

§15 Prices

15.1 The scope and validity of prices are defined in the order and are fixed prices.

15.2 The agreed prices and services apply both to the Client and to other members of the group and its subsidiaries.

15.3 The prices are understood to be inclusive prices and include all costs and ancillary costs involved in the delivery and performance of the goods and services specified in the order. Costs other than the prices and services defined in the order will not be accepted by the Client.

§16 Terms of payment

16.1 If no specific terms of payment are defined in the order, the Client shall pay the net invoice amount within 90 days.

16.2 If the Client decides to pay the invoice within 14 days, the Client is entitled to deduct a 3% discount from the invoice amount.

16.3 The period allowed for payment shall begin after completion of performance on the date on which the later of the following events occurs:

- a) Complete delivery with documentation as specified in the order
- b) Receipt of a correct invoice as specified under "Invoicing".

§17 Force majeure

17.1 Each party shall be freed from its contractual obligations if prevented from meeting them for reasons of "force majeure".

17.2 The following unforeseeable, external and unavoidable events are accepted as force majeure:

- a) Adverse weather conditions, e.g. storm, flood, hail, lightning
- b) Fire
- c) War
- d) Embargo
- e) Pandemic, Epidemic

17.3 Both contracting parties shall relinquish any claim for compensation arising from this agreement in the event of force majeure.

§18 Applicable law

18.1 Austrian law shall apply. The United Nations Convention on Contracts for the International Sale of Goods does not apply. The place of jurisdiction for Ochsner's purchasing operations is Linz, Austria.

18.2 The Client reserves the right in individual cases to move the place of jurisdiction and the applicable law to the place or country of domicile of the Contractor.

§19 Partial nullity, replacement of invalid provisions

19.1 It is agreed that the partial nullity of individual points of the general conditions of purchase shall not lead to the complete nullity of the general conditions of purchase.

19.2 Should individual points of these conditions of purchase be contrary to statutory provisions or laws of relevant and recognised legislations or authorities, the two contracting parties agree to replace the affected points of these conditions of purchase with provisions which are recognised by the legislation or authority and whose content comes closest to the original thinking and intention behind that point.