

General Terms & Conditions of Purchase

1. Validity of the Terms and Conditions of Purchase

- 1.1 ETA Heiztechnik GmbH, hereinafter referred to as "ETA", purchases goods and services exclusively based on these Terms and Conditions of Purchase, even if they are not specifically mentioned in verbal or telephone negotiations.
- 1.2 These Terms and Conditions of Purchase shall apply to the order placed by ETA and also to all future transactions arising from ongoing business relationships, even if no express reference is made to them. These Terms and Conditions of Purchase form an integral part of all Agreements, unless otherwise expressly agreed in writing in individual cases.
- 1.3 The supplier's General Terms and Conditions shall not apply even if ETA has not expressly objected to them.
- 1.4 Additions to or deviations from these Terms and Conditions of Purchase require the express written confirmation of ETA in order to be valid.
- 1.5 Contractual fulfilment actions on the part of ETA shall not be deemed consent to the amendment or deviation from ETA's Terms and Conditions of Purchase.

2. Offers

- 2.1 Offers and cost estimates addressed to ETA shall be binding for the supplier and shall be prepared free of charge for ETA. However, these do not create any obligations for ETA.
- 2.2 If an offer is submitted to ETA, the provider/supplier shall be bound by it for at least three months from receipt of this offer by ETA.
- 2.3 Drawings and all other documents shall always be created and submitted to ETA free of charge in German or English.

3. Orders, order confirmations

- 3.1 Orders are only binding for ETA in written form. Orders placed verbally or by telephone as well as additions, modifications and deviations of any kind must be confirmed in writing in order to be valid. The order date is the date of the order from ETA.
- 3.2 All orders placed by ETA shall only be binding if they are accepted in writing and in full by the supplier within 5 days of the order date. The written order confirmation must be sent by email to einkauf@eta.co.at. If the written order confirmation is not received by ETA within this period, the content of the order shall nevertheless be deemed to be the order confirmation, unless ETA cancels the order.

4. Delivery, packaging and shipping

- 4.1 The delivery date stated in the order is binding as a fixed date. The decisive factor for compliance with the delivery date is the receipt by ETA of the complete and contractually compliant delivery of the goods or services. Advance deliveries are only permitted with the consent of ETA and if the invoice is issued on the agreed date.
- 4.2 The supplier, whether manufacturer or dealer, is obliged to subject the goods to be delivered to adequate quality and quantity control corresponding to the product/service before dispatch
- 4.3 ETA only accepts the quantities or units ordered. Under-deliveries are not permitted. 5% extra deliveries are permitted. Any extra deliveries are only permitted after prior agreement with ETA. In the event of an extra delivery of more than 5 %, ETA reserves the right to return the goods at the supplier's expense.
- 4.4 If delivery delays are to be expected, the supplier must immediately inform ETA in writing, stating the reasons and the expected duration. In the event of significant delays, a separate decision must be obtained from ETA regarding continuation of the order. In this case, ETA may withdraw from the Agreement without setting a further grace period by simply making a declaration in writing. Damages and costs incurred by ETA as a result of the delay may be claimed.

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- 4.5 In order to be able to meet agreed deadlines, the supplier shall, if necessary, use faster means of transport without being able to charge ETA for the additional costs incurred as a result.
- 4.6 Delivery shall be made carriage free for ETA (DDP in accordance with the latest applicable Incoterms) to the specified place of delivery. The place of delivery or destination specified by ETA shall be deemed the place of fulfilment for the supplier's deliveries. A delivery shall only be deemed to have been made if receipt is confirmed in writing by ETA to the supplier or its authorised representative. Cash on delivery shipments will only be accepted by ETA after authorisation.
- 4.7 The delivery of goods to ETA must be made exclusively on work days from Monday-Thursday 7:00 am - 12:00 pm; 12:30 pm - 3:00 pm and Friday 7:00 am - 11:00 am to the unloading point specified in the order.
- 4.8 The consignment must be accompanied by a single copy of all relevant shipping documents. The order numbers, the noted building (unloading point) and the ETA labelling required in the order must be stated in all documents. In the case of agreed self-collection (ETA's forwarding agent), a notification stating the loading details must be sent by email to einkauf@eta.co.at at least 2 days before the planned dispatch date.
- 4.9 The items intended for dispatch must be properly packaged. Losses and damage to the consignment caused by improper packaging shall be borne by the supplier. If a consignment is delivered in damaged packaging, ETA shall be entitled to return the consignment at the supplier's expense without checking the contents.
- 4.10 The supplier undertakes to label products, parts, and packaging in accordance with the agreements made with ETA. They must ensure that the labelling of the packaged products is also legible during transport and storage.
- 4.11 If wood is used in the packaging, it must comply with the applicable Community (EU) phytosanitary regulations, for which the supplier is solely responsible and liable.
- 4.12 If the supplier participates in a nationwide system of packaging disposal in Austria (such as ARA = Altstoff Recycling Austria AG), the following legally binding declaration must be included in the offer, but also in each delivery note and invoice: „The packaging of all goods listed is...exempt via the licence number“. Additional fees or costs, such as deposits or disposal costs, will not be recognised by ETA. If the supplier fails to provide such a declaration of indemnification, ETA shall be entitled to have the disposal carried out by third parties at the risk and expense of the supplier, or to deduct the corresponding costs.

5. Prices

- 5.1 The prices stated in the orders are always net fixed prices, unless otherwise agreed in writing. If applicable, the statutory value added tax of currently 20% must be added to the fixed prices.
- 5.2 In the case of intra-community purchases, the supplier from another EU member state does not have to invoice VAT, but must provide their VAT identification number (ID).
- 5.3 The prices are fixed prices. Price increases that have occurred in the interim on the part of the supplier's upstream suppliers and other subcontractors, in raw materials, wages, operating expenses, fees, taxes, or customs duties and the like shall not justify a price increase. Price escalation clauses and the like are not accepted by ETA.
- 5.4 Unless otherwise expressly agreed, the prices quoted to ETA by the supplier shall include all duties and additional costs, including transport costs.

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6. Invoice and payment

- 6.1 Invoices must be sent in single copies by post or email immediately after delivery to einkauf@eta.co.at. The order numbers specified by ETA and the labelling required in the order must be stated in the invoices.
- 6.2 Payment periods shall commence on the day the invoice is received, but not before the delivery is received. Unless otherwise agreed, payment shall be made within 14 days of delivery or acceptance of the complete service with a 3% discount or within 30 days net.

7. Right of retention, offsetting, assignment

- 7.1 ETA does not recognize a ban on offsetting; rather, ETA is in any case entitled to offset all claims against the contractual partner.
- 7.2 In the event of a defect covered by the warranty, ETA shall be entitled to withhold payment of a corresponding part of the fee, taking into account the defect, until the defect has been properly remedied.
- 7.3 The transfer of the order by the supplier to third parties, either in whole or in part, as well as the assignment/transfer of the claims/rights arising from the order, shall require the prior written consent of ETA.

8. Manufacturing resources, material provision, spare parts supply

- 8.1 The means of production ordered by ETA and manufactured by the supplier or third parties and provided to the supplier for the production of parts shall become the sole property of ETA upon payment. In the event that a tooling cost share is agreed, ETA shall acquire proportional ownership to this extent. The supplier undertakes to grant a right of first refusal in respect of the share not already owned by ETA at ETA's request. In the event of non-delivery for which they are responsible, they shall be obliged to repay the proportional tool costs borne by ETA. The supplier shall store them separately and accessible to ETA at all times, free of charge, and shall label them as the property of ETA and treat them with care. At the request of ETA, these must be returned immediately and any copies, duplicates etc. made of them must be destroyed. At ETA's request, the supplier shall provide written confirmation of this. The return delivery must be in proper condition. The supplier shall insure the materials provided at their own expense against fire, theft, or loss and any damage. Any copyrights and proprietary rights remain with ETA.
- 8.2 Production equipment that the supplier manufactures or procures must be kept ready for use and delivery for replacement needs for ETA for a period of 15 (fifteen) years after completion of the last series production for ETA. During this period, the supplier shall supply ETA on request with the items to be manufactured using the aforementioned means of production.
- 8.3 Irrespective of the term of the Agreement, the supplier undertakes to supply ETA on request with sufficient quantities of delivery items for use as spare parts for a period of 15 (fifteen) years after completion of delivery by the supplier for ETA's series production. The supplier shall ensure that all of its upstream suppliers are obliged to comply.
- 8.4 If the supplier intends to discontinue the production of spare parts for the products supplied to ETA, it shall inform ETA of this in writing immediately and at least 12 months before the discontinuation.
- 8.5 The means of production provided to the supplier or manufactured according to ETA's specifications may not be sold, transferred by way of security, pledged, reproduced or made accessible to a third party in any other way without ETA's express written consent. The same applies to items produced with the aid of the aforementioned means of production.
- 8.6 Material provided by ETA shall remain the sole property of ETA, shall be labelled as such and stored separately. Any defects in the material must be reported immediately by the supplier. The supplier may only process defective material in accordance with the client's instructions. The Contractor shall be liable for the proper handling of the materials handed over to it for processing or finishing. If the material provided by ETA becomes unusable due to circumstances within the sphere of the supplier, the relevant material provided by ETA shall be replaced by ETA against invoice and payment by the supplier.

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- 8.7 ETA alone shall be entitled to utilise the developments arising from the order and the resulting further developments within the framework of patents or other proprietary rights.

9. Protection of drawings and documents / confidentiality

- 9.1 Drawings, sketches and other documents such as samples, presentations, and the like provided by us shall remain the intellectual property of ETA. Any use, in particular the distribution, reproduction, publication and making available, including copying, even in extracts, requires the express written consent of ETA.
- 9.2 All documents listed under 9.1 can be reclaimed by ETA at any time and must be returned to ETA immediately without being asked if the Agreement is not concluded.
- 9.3 The supplier must treat all internal information that becomes known to them from the business relationship with ETA confidentially as business secrets. This applies in particular to third parties.

10. Warranty/Quality Assurance/Product Change

- 10.1 The supplier, their subcontractors and upstream suppliers shall guarantee the contractually compliant, complete and defect-free execution of the delivery to the extent permitted by law. In particular, the supplier warrants that the delivery (in compliance with the recognised rules, the safety, quality and legal regulations and the agreed technical data) has the properties usually assumed and warranted in the Agreement and corresponds to the samples on which it is based.
- 10.2 The warranty period is 36 months and runs from the end customer's commissioning of the delivery item. However, subject to the provision in 10.5, the warranty shall in any case end 48 months after acceptance of the delivery item by ETA.
- 10.3 The supplier waives the right to object to late notification of defects. ETA may assert such complaints due to defective or deviating deliveries within 14 (fourteen) working days. This period begins in the case of obvious defects (e.g. damaged transport packaging, quantity deviation) upon receipt of the delivery, otherwise within 14 (fourteen) working days of becoming aware of the defect. Obligations to inspect and give notice of defects do not exist in any case before complete delivery.
- 10.4 As far as warranty remedies are concerned, the supplier may immediately carry out the improvement or replacement, whereby this must be done at the supplier's expense on site of the warranty item. ETA is not obliged to tolerate more than 1 (one) attempt at replacement or rectification. If the supplier fails to fulfil its obligation to improve or replace without delay, ETA shall be entitled to rectify defects or non-performed services itself or have them rectified or performed by third parties at the expense and risk of the supplier. Furthermore, ETA shall have the right to claim a price reduction or to declare an exchange and to return the delivery items to the supplier at the supplier's expense. If the same delivery item is repeatedly delivered incorrectly, ETA shall be entitled to cancel all delivery agreements for the same or similar delivery items without observing any existing notice period.
- 10.5 In the event that ETA has to provide a warranty to an end customer, the following shall apply in deviation from clause 10.4: ETA may, at its discretion, demand immediate improvement or replacement from the supplier on site at the supplier's expense or remedy or provide the defects or the services not provided itself or through third parties at the supplier's expense and risk. In addition, all other rights and claims of ETA listed in 10.4 shall apply. Clause 10.5 shall also apply if the end customer has not purchased the object of the warranty directly from ETA and the warranty remedy is therefore asserted via ETA's contractual partner.
- 10.6 If the delivery item is repaired - also by replacing defective parts - the warranty period for the entire delivery item shall begin anew.
- 10.7 The supplier undertakes to ensure the traceability of the products supplied by them. If a defect is detected, traceability and localisation of the defective parts/products/batches etc. must be guaranteed. The supplier shall reimburse ETA for all costs and expenses incurred by ETA as a result of the lack of traceability within the meaning of this clause.

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- 10.8 The exclusion of the right of recourse according to § 933b of the Austrian Civil Code (ABGB) is not accepted by ETA.
- 10.9 The supplier undertakes to operate a quality assurance system and to provide ETA with regular insight into the quality records and to present these on request. If the supplier does not operate a QA system, they are obliged to inform ETA of this independently before concluding the Agreement. In this case, ETA is authorised to specify the minimum requirements for internal quality assurance to the supplier.
- 10.10 ETA must be notified immediately of any product or component changes to products supplied to ETA. A product modification of products specially manufactured for ETA is only permitted with the express consent or approval of ETA.
- 10.11 Retroactive interchangeability must be ensured for modifications to approved components that are in series production. If this is not possible for technical reasons, the continued availability of the parts in their original condition must be ensured.

11. Compensation/product liability/recall/insurance

- 11.1 In principle, ETA reserves the right to assert claims for damages caused by the supplier without restriction. The supplier shall be liable for the fault of its vicarious agents and/or its other subcontractors (e.g. producers) as well as for its own fault. Insofar as ETA is entitled to compensation, ETA's claim shall also extend to compensation for all damages that ETA must compensate to third parties, irrespective of the degree of fault of the supplier and/or its vicarious agents and/or its other subcontractors. Unless longer limitation periods are provided for by law, claims for and in connection with damages shall lapse five years after knowledge of the damage and the perpetrator of the damage.
- 11.2 Insofar as the supplier is entitled to compensation, ETA shall be liable to the supplier for intentional or grossly negligent behaviour, with the exception of personal injury, for which liability shall already apply in the case of minor negligence.
- 11.3 The supplier shall indemnify and hold ETA blameless in the event of defects of title and in the event of a claim based on product liability (EU product liability is generally "no-fault" and cannot be limited or excluded in advance in the relationship between the party liable for product liability and the injured party). In this case, the supplier also assumes the resulting costs, in particular the costs of any necessary legal proceedings, and undertakes to provide ETA with all relevant documents.
- 11.4 If claims are made against ETA by third parties based on the provisions of the Product Liability Act, the supplier shall be obliged to prove that there is no defect in the delivery item.
- 11.5 If there are indications of a necessary recall of ETA goods resulting from a defect in the delivery items, the contractual partners shall immediately comment on this. ETA then decides whether a recall action should be carried out.
- 11.6 The supplier shall indemnify and hold ETA blameless with regard to all expenses arising from or due to a recall of goods or products in which the delivery items are integrated, if the recall was due to quality defects in the delivery items of the supplier and insofar as this was necessary. This regulation also applies to an ETA customer service action to be carried out due to proven quality defects.
- 11.7 The supplier is obliged to take out business and product liability insurance appropriate to the order volume and the obligations assumed with reputable and solvent insurance companies. In particular, ETA recommends that there is insurance coverage for its liability that goes beyond the statutory liability provisions (product liability with coverage of at least EUR 5,000,000).
The supplier shall ensure that the North American market (Canada and USA) is expressly included in the insurance contract or policy for the risk cover of its product liability, with sufficient sums insured.

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12. Proprietary rights

- 12.1 The agreed price shall cover the acquisition of industrial proprietary rights, in particular patents, to the extent that their acquisition is necessary for ETA for the free use, partial or complete renewal and resale of the delivery item.
- 12.2 If licences are required, the supplier shall procure them at their own expense. The supplier's inventions may be used by ETA free of charge when carrying out the order.
- 12.3 The supplier shall indemnify and hold ETA blameless in the event of infringement of third-party proprietary rights in connection with the ordered delivery or service.

13. Place of fulfilment, place of jurisdiction, applicable law and dispute agreement

- 13.1 The place of fulfilment for deliveries and services is the destination.
- 13.2 All disputes arising from this Agreement shall be settled by the court having territorial jurisdiction at the registered office of the Company in Hofkirchen an der Trattnach, Austria. However, ETA shall also be entitled to take legal action against the supplier before the court with territorial and substantive jurisdiction for its registered office or place of residence.
- 13.3 Austrian law shall apply to legal disputes arising from the Agreement, to the exclusion of the UN Convention on Contracts for the International Sale of Goods and the IPR Act.
- 13.4 In the event of disputes, the supplier is not entitled to withhold or even discontinue its contractual services.

14. General provisions/severability clause

- 14.1 All business correspondence must be conducted exclusively with ETA's purchasing department.
- 14.2 The ETA order number must be quoted or ensured that it is quoted on the documents intended for ETA, such as consignment notes, dispatch notes, delivery notes, packing slips, invoices, change notices, etc. and in all correspondence. The supplier shall be liable to ETA for any drawbacks resulting from non-compliance with this obligation.
- 14.3 The supplier must always use the German language in all correspondence, in particular as well for labelling, product descriptions, operating instructions and manuals etc.
- 14.4 The supplier may only advertise the business relationship with regard to the collaboration after obtaining prior written consent from ETA. A revocation by ETA can be made at any time without giving reasons and will result in the immediate deletion/refraining from further use (for advertising purposes, reference lists, press releases, etc.) without entitlement to reimbursement of costs.
- 14.5 All agreements, subsequent changes, additions, ancillary agreements, etc. must be in writing to be valid, including the original signature or secure electronic signature. Insofar as the present Terms and Conditions of Purchase are otherwise based on written form, email correspondence also complies with such a written form requirement.
- 14.6 Should any provision of these Terms and Conditions of Purchase be invalid, this shall not affect the validity of the remaining Terms and Conditions of Purchase. In this case, however, ETA and the supplier undertake to replace any invalid provision by agreement in writing with a valid provision which is in the interests of both parties and which comes as close as possible to the economic intent of the invalid provision.
- 14.7 ETA processes the personal data of its suppliers in particular for contractual purposes and, in some cases, also in the overriding legitimate interest. Further information on data processing, the storage period, the possible recipients of supplier data and the rights of suppliers can be found on the website at www.eta.co.at/datenschutz.

The General Terms and Conditions of Purchase of ETA Heiztechnik GmbH can be viewed on the homepage www.eta.co.at or downloaded as a PDF under the following link: www.eta.co.at/unternehmen/downloads/einkauf