

I. Scope of application

Unless expressly agreed otherwise in writing, the following terms and conditions shall exclusively apply to all deliveries, services and offers of our suppliers. These Terms and Conditions of Purchase as amended from time to time and accessible at www.anton-paar.com shall be deemed accepted upon execution of the order (first delivery), and the supplier accepts them as exclusively legally binding also for all future supply relationships. Terms and conditions of our suppliers or third parties shall not be applicable even if we do not expressly object to applicability of the same in a specific case. Even if we make reference to correspondence that contains terms and conditions of the supplier or a third party or refers to such correspondence, this shall constitute no consent to the applicability of such terms and conditions. Deviating or supplementary conditions of the supplier shall, therefore, only apply upon our express written acceptance. If deviating agreements are expressly concluded in writing in exceptional cases and signed by both parties, such deviations shall exclusively apply to that specific transaction. Oral agreements shall require our written confirmation to be effective.

II. Purchase order

Purchase orders and modifications of or amendments to the same shall only be valid if issued or confirmed by us in writing. Purchase orders may, however, also be made electronically provided that an express prior agreement has been concluded between us and the supplier. Acceptance of the order shall be confirmed to us without delay. Such an acknowledgement may also be made electronically provided that an express prior agreement has been concluded between us and the supplier. We reserve the right to cancel an order placed by us if we do not receive a proper acknowledgement of the order within a reasonable period of time and not later than within 14 days after the purchase order was issued. Such a cancellation shall be considered timely if sent prior to receipt of the acknowledgement of the order. In the case of deviations of the acknowledgement of the order from the purchase order, the supplier shall explicitly make reference thereto including a description of the respective

deviations. We shall only be bound by such a deviation if we have consented thereto expressly in writing. Unconditional acceptance of goods shall in no case be considered such a consent.

Subcontracting of our orders in whole or to a major extent shall be subject to our written consent. Any violation of this provision shall entitle us to cancel that order without substitution; further claims shall not be affected thereby.

If the supplier discontinues its payments or if bankruptcy proceedings or court or out-of court composition proceedings are opened over the supplier's assets, we shall be entitled to rescind the contract notwithstanding any other rights.

III. Delivery

The delivery time (delivery dates or delivery period) stated in the purchase order shall be binding and shall be the time of receipt of the goods at the named place of destination; otherwise in our house. If observance of the delivery date is jeopardized, the supplier shall be obliged to immediately notify us thereof in writing.

Even if we accept postponement of a delivery date, we expressly reserve the right to charge a contractual penalty of 3% per week of delay commenced (starting from Monday following the delivery week) but not more than 15% of the total order volume. In addition, in the case of late deliveries for which the supplier is responsible, the supplier shall use the fastest means of transport available notwithstanding the mode of shipment specified in the purchase order, to minimize the delay. The costs for such transport shall be borne by the supplier.

In the case of a delay in delivery for which the supplier is responsible we shall be entitled to rescind the contract with immediate effect after 14 days without having to grant a grace period. If a fixed date has been agreed, the contract shall be terminated upon non-observance of the date unless we demand performance of the contract within 14 days. Partial deliveries and advance deliveries shall be subject to our written approval, except for deliveries effected not more than seven (7) calendar days prior to the agreed date, with the payment periods in such cases starting only as of the contractually agreed date.



Unless expressly agreed otherwise in writing, deliveries shall be made DDP (Incoterms 2000) to the named place of destination. Delivery documents and packaging shall be selected according to the relevant standards and in order to ensure delivery free of damage and efficient SD internal handling.

If it can already be expected during the supplier's delivery period that the supplier will not be able to render its deliveries and/or services properly by the contractually agreed date, we shall be entitled to take all measures to ward off an impending delay at the supplier's costs and risk.

In the case of early delivery we reserve the right to charge the supplier for the resulting additional costs, such as warehouse costs, and to effect payment according to the agreed delivery date. Until the agreed delivery date we shall only be liable as custodian.

IV. Transportation and bearing of risk

The supplier shall be liable for any late transport or transport damage.

The risk shall pass to us only upon delivery, i.e. receipt of the goods by us, but not prior to the agreed delivery date.

Claims for compensation, if any, shall not be excluded by acceptance of late deliveries or services.

V. Prices and payment

Unless otherwise agreed in writing the prices stated in the purchase order shall be fixed prices and, thus, shall not be subject to changes until full performance of the scope of deliveries and services as per the purchase order.

Unless otherwise agreed in writing the price shall include delivery and transport to the address for shipment stated in the contract including packaging .

If it has been agreed that packaging shall not be included in the price and if the price for the packaging has not been expressly determined, packaging shall be calculated at the provable cost price.

Unless otherwise agreed in writing payment shall be effected after receipt of goods as per the contract and after receipt of a proper and auditable invoice either within thirty (30) days

with a 3% cash discount or within ninety (90) days without deduction.

Payment shall neither constitute a recognition of proper delivery or service nor a waiver of rights to which we are entitled. By giving our bank a remittance instruction not later than on the due date, payment shall be deemed timely. Bank charges of the receiving bank shall be borne by the supplier.

In the case of a defect under warranty we shall be entitled to postpone payment until proper repair of the defect.

In any case we shall be entitled to effect a setoff with counterclaims, if any.

VI. Invoice

The invoice shall be sent to us immediately upon delivery or full provision of service and shall state all purchase order data. The text of the invoice shall be worded and the invoices shall be structured in such a way that a simple comparison with the purchase order and an examination of the invoice can be carried out easily. The purchase order number and purchase order data shall be stated on the invoice. Invoices on labor shall include time sheets that have been confirmed by us. We reserve the right to return invoices which are not in compliance with our requirements, in particular with respect to purchase order data or statutory VAT regulations, without having processed them. In that case the invoice shall be deemed not submitted.

The supplier shall neither be entitled to offset its own claims against our claims, nor to cede its claims to a third party.

VII. Cancellation

We also reserve the right to rescind the contract in whole or in part even without fault on the part of the contractor. In such a case the supplier shall only be entitled to invoice all services provably rendered by it until the date of termination of the contract, but no lost profit. Advantages which the supplier may achieve or has achieved shall also be taken into account. After rescission the supplier shall be obliged to use all efforts to minimize the costs.

VIII. Quality and documentation

Deliveries must be in compliance with the agreed specifications, free from defects and suitable for the use expected by us. The supplier shall constantly adapt the quality of its products to be delivered to us to the state of the art and inform us about possibilities of improvement and technical modification. The supplier shall establish and maintain a state-of-the-art, documented quality assurance system which shall be suitable as to its type and scope. The supplier shall keep records, in particular on its quality tests, and make them available to us upon request.

The supplier hereby agrees to quality audits by us or our agent to assess the effectiveness of its quality assurance system, if necessary with the involvement of our customer.

All deliveries shall include appropriate documentation such as manuals and conditions of storage and operating. The supplier shall be fully liable for any damages arising out of missing or faulty documentation.

IX. Warranty

Mere acceptance of deliveries or services, temporary use of the same or even payments effected shall neither constitute acceptance nor a waiver of any rights to which we are entitled. Confirmations of receipt of goods issued by us shall be no statements by us on final acceptance of the goods delivered.

The goods shall be accepted (acceptance) and checked for completeness and any patent defects within a reasonable period of time after receipt of the goods. If in the course of spot checks we find out that parts of the delivery are not in compliance with our requirements or the quality customary in trade, we shall be entitled to reject the whole shipment. We shall notify the supplier of any defects identified as soon as possible. The commercial-law obligation to notify defects as defined in Section 377 of the Austrian Business Code [Unternehmensgesetzbuch/UGB] shall not apply.

The supplier shall assume full warranty for deliveries and services for a period of 24 months.

Upon request, the supplier shall immediately repair any defects which occur during that period at its own cost. All costs incurred in connection with the repair of defects, such as

transport costs, costs of assembly and disassembly shall be borne by the supplier. The warranty period shall be suspended for the duration of the improvement work until successful repair of the defect. For parts which are replaced or repaired under warranty the warranty period shall again be 24 months as of replacement or repair. We shall be free to choose the place of performance for repairs of defects under the warranty obligation. Additional statutory provisions shall remain unaffected.

We shall not waive any warranty claims by accepting or approving of specimen or samples presented to us.

As for engineering, consultancy, software or documentation services as well as in the case of provision of staff the supplier shall warrant without any restriction correctness and completeness of its written and oral information and instructions for a period of two years as of provision of the service.

Upstream suppliers of the supplier shall be considered agents (as defined by Section 1313a ABGB) of the supplier.

At our option the supplier shall immediately repair any defects at its cost or deliver new products or render services which are free from defects within the period granted. We shall in any case be entitled to claim compensation for all damage from the supplier. We shall in any case be reimbursed the cost of examination if the examination revealed defects. In the case of special urgency, for example to prevent a delay or if the supplier is in delay of repair of defects, we reserve the right to cover our requirements elsewhere without prior notice and notwithstanding our rights under warranty liability or to improve or have improved defective goods at the cost of the supplier. We shall be fully reimbursed the costs of such improvement even if those costs are higher than in the case of an improvement by the supplier. All claims stated above shall become time-barred not earlier than three years as of notification of the defect.



X. Product liability

Notwithstanding any other obligations the supplier shall indemnify and hold us harmless with respect to the products delivered by it from and against all product liability claims of third parties. The supplier shall in any case be obliged to reimburse us all costs incurred by us in connection with defending a liability claim or substitute performance. If we are obliged to carry out a recall campaign vis-a-vis third parties due to a defect of a product delivered by the supplier, the supplier shall bear any and all costs relating to that recall campaign. The supplier undertakes to keep that risk sufficiently insured and to provide us with appropriate evidence thereof upon request. For a period of eleven (11) years as of the last delivery the supplier undertakes to advise the name of the respective manufacturer, importer or upstream supplier of the products delivered by it immediately upon our request, and, not later than within two weeks and to immediately make available to us expedient means of evidence to defend product liability claims of third parties, such as, in particular, manufacturing documents and documents containing information about production and delivery batches and/or production and delivery dates.

XI. Proprietary rights

In the case of disputes under patent law, copyright law, trademark law and registered design law arising out of deliveries and services the supplier shall indemnify and hold us harmless and warrant unrestricted use of the product delivered. Such claim shall exist independently of the supplier's fault. Thus, the supplier shall be responsible for the fact that in connection with its deliveries no proprietary rights of third parties are infringed in countries of the European Union, North America or in other countries where it manufactures or has manufactured products.

XII. Spare parts

The supplier shall prepare spare parts lists jointly with us for the projects carried out from time to time, which shall include prices and delivery times for the spare parts. The supplier guarantees availability of the parts contained in

those lists for a period of ten (10) years as of delivery. If a spare part is not available anymore within that period, the supplier shall deliver a technical substitute solution the delivery period of which must not be longer than the originally agreed delivery period for the spare part concerned.

XIII. Means of production and feedstock

Means of production provided by us to the supplier shall be treated with utmost care and kept at our disposal for ten (10) years as of the last date of production. They shall be returned to us immediately upon request.

Means of production manufactured or procured by the supplier for which we paid the manufacturing costs shall become our property as of that date. If the supplier is unable to keep those means of production in a ready-for-use condition at our disposal for ten (10) years, the supplier shall be obliged to notify us thereof in writing and hand over the means of production to us upon request.

In the case of damage to or loss of feedstock provided by us the supplier shall reimburse us the replacement costs of the same.

XIV. Special provisions for hardware and software

Hardware and software shall always constitute a unit unless otherwise agreed in the purchase order. If the supplier has to supply software that has not been developed specifically for us, the supplier shall grant us a transferable and non-exclusive right to use the same. Such right shall be unlimited in time if a one-off payment has been agreed for the same. The supplier shall grant us a transferable licence for all types of use for software specifically developed for us, which shall be unlimited in time. Unless otherwise agreed the current version of the source code of the software shall also be supplied. The supplier shall install the software. Following installation the supplier shall hand over to us a data carrier which can be read by our system with the source code and machine code including the documentation belonging thereto (contents and structure of the data carrier, program and dataflow plans, test methods, test programs, error treatment,



etc.). Apart from that documentation the contractor shall provide us with sufficient copies of a detailed written user documentation in German prior to acceptance.

Software that is made specifically for us shall be deemed accepted if the software has run in accordance with the agreed specifications during a free-of-charge test run for a minimum period of four (4) weeks without error reports and in a satisfactory manner. In case of doubt the said period shall start only as of productive use by us or, in case the software is passed on, by our end customer.

The supplier undertakes to provide us with all subsequent program versions that include an error correction ("updates") free of charge within the warranty period. In addition, the supplier undertakes to offer us technical service and software maintenance on market terms for a minimum period of five (5) years as of acceptance. For the warranty period the maintenance fee shall be reduced accordingly.

XV. Secrecy

All drawings, calculations and the like made available for submission of offers and/or execution of purchase orders shall remain our property and shall be returned to us together with the offer and/or upon execution of the purchase order. They must neither be reproduced nor made accessible to third parties without our written consent.

The supplier shall be obliged to treat as a business secret and as strictly confidential the purchase order and resulting works as well as any and all related technical and commercial documents and facilities. In the case of partial subcontracting of the relevant purchase order to subcontractors with our consent the supplier shall impose the same obligations on its subcontractors.

For a period of five (5) years as of conclusion of the contract the supplier shall be obliged to keep secret the terms of the purchase order and all information and documents made available for that purpose (except for information that is in the public domain) and exclusively use the same for execution of the purchase order. After inquiries have been processed or purchase orders have been handled the supplier shall return them to us immediately upon request. The supplier shall not be entitled to refer to the business

relationship in advertising material, brochures, etc. without our prior written consent.

The supplier data (Business Register data, address, phone number and fax number and information required for addressing which result from modern communications technologies, locations, contact persons, deliveries and services ordered, delivery quantities) of the relevant transaction shall, as a matter of principle, be electronically processed only for purposes of consummation of the contract, in particular for administrative and accounting purposes.

XVI. Legal protection of ownership

An agreement on retention of title by the supplier is expressly excluded. We shall reserve title to or copyright in the purchase orders and orders made by us and samples, prototypes, drawings, illustrations, calculations, specifications and other documents made available to the supplier. Without our express consent the supplier shall not be entitled to make them accessible or known to third parties or use or reproduce them itself or through third parties. The supplier shall return all those documents and copies thereof, if any, to us without request if they are no longer required by the supplier in the ordinary course of business or if negotiations do not lead to conclusion of a contract. Tools, devices and models, etc. which we make available to the supplier or which are manufactured for the purposes of the contract and charged to us separately by the supplier shall remain or become our property. They shall be marked as our property by the supplier, kept in custody with care, protected from all kinds of damage and used only for the purposes of the contract. The supplier shall immediately notify us of all not only insignificant damage to such items. The supplier shall be obliged to surrender those items to us in a proper condition upon request if they are no longer required by the supplier for performance of the contracts concluded with us.



XVII. Insurance

The supplier shall be obliged to take out a business liability insurance with reasonable cover. Evidence of such insurance cover shall be provided at request.

XVIII. General provisions

We shall not pay for offers, plans, cost estimates, etc. Austrian law shall apply to this contractual relationship and the conflict of laws rules of Austrian private international law shall be excluded.

If individual provisions of the Terms and Conditions of Purchase are ineffective or become invalid, the effectiveness of the remaining provisions shall not be affected thereby. In that case and in case an unplanned gap is noticed, the ineffective or unenforceable or lacking provision shall be replaced by an appropriate regulation which, to the extent legally possible, comes as close as possible to the intention the parties had or would have had according to the economic purpose of the agreement if they had thought of that point at the time of conclusion of this agreement. The place of destination advised by us shall be the place of performance for deliveries. The place of performance for payments and the exclusively agreed legal venue shall be Graz, unless different written agreements exist.