

# GENERAL TERMS and CONDITIONS of SALE and DELIVERY

## I. SCOPE of APPLICATION

- a. These General Terms and Conditions of Sale and Delivery shall apply – unless expressly agreed otherwise in writing between the contracting parties – to the delivery of goods and/or the provision of other services by Lechner GesmbH, W. Lubas Spezialplastik Kunststoffverarbeitung und Formenbau Ges.m.b.H, as well as their affiliated companies (hereinafter collectively referred to as “Lechner”, “we” or “us”) in business transactions with companies (hereinafter referred to as the “Contractual Partner”):
- Plastic parts made of elastomeric and/or thermoplastic materials
  - Other components (e.g. CNC.milled parts, etc.)
  - Injection moulding tools and their individual components, such as tool inserts, etc
  - Regrind material (shredded plastic parts, sprues, runners, etc.)
- b. Any terms and conditions of the Contractual Partner that conflict with, deviate from or supplement these Terms and Conditions shall be excluded in relation to Lechner, even if Lechner does not expressly object to them. Acts performed by Lechner in fulfillment of the contract shall not be deemed acceptance of contractual terms deviating from Lechner’s Terms and Conditions.
- c. In the case of ongoing business relationships, these Terms and Conditions shall also apply to all future transactions, even if they are not expressly referred to, provided that they were agreed upon between the parties in connection with a previous order.
- d. The legal relationship between Lechner and the Contractual Partner shall be governed by these Terms and Conditions as well as any other agreements and contracts. Any amendments, ancillary agreements, reservations or supplements shall be valid only if made in writing, unless expressly agreed otherwise in these Terms and Conditions. This shall also apply to any agreement to waive the written form requirement.

## 2. OFFER

- a. All offers made by Lechner, irrespective of the form in which they are made (oral, written, etc.), shall be non-binding and shall merely constitute an invitation to the customer to place an order.

## 3. ORDERS

- a. Orders placed by the customer shall become binding upon receipt by Lechner. Lechner shall accept the Contractual Partner’s orders by issuing a written order confirmation, by delivery of the goods, or by performance of the service. The written form requirement shall also be satisfied by electronic transmission, in particular by e-mail or fax.
- b. The Contractual Partner shall be obliged to examine Lechner’s order confirmations without delay and to notify Lechner of any deviations in writing within two (2) days at the latest. If no timely objection is raised, the order confirmation shall be deemed binding and accepted.
- c. Any subsequent amendments to contracts or orders shall require written form or written confirmation by

Lechner in order to be legally valid.

- d. All quotations, project documents, drawings, samples, software, production documents and similar materials shall be strictly confidential and may neither be reproduced nor made accessible to third parties without Lechner’s prior consent.
- e. Cost estimates issued by Lechner shall, as a matter of principle, be provided without any warranty as to completeness or accuracy.
- f. Any purchasing terms or general terms and conditions of the Contractual Partner shall be binding on Lechner only if expressly acknowledged by Lechner in writing. Any assignment or transfer of rights and obligations arising from the contractual relationship to third parties shall not be permitted without Lechner’s prior written consent.
- g. In the case of call-off orders (framework agreements), Lechner shall be entitled, unless expressly agreed otherwise in writing, to procure the material for the entire order and to manufacture the total ordered quantity immediately.
- h. For production-related reasons, the quantity stated on the delivery note or in the order confirmation may deviate by up to  $\pm 3\%$  from the actual contents of a carton. Such deviations shall be deemed in conformity with the contract and shall not entitle the Contractual Partner to assert any warranty or damage claims.
- i. Lechner shall be entitled to deliver up to 10% more or less than the total quantity ordered. Such quantity deviations shall be deemed in conformity with the contract. Any excess delivery shall be invoiced at the unit price stated in the order confirmation; any short delivery shall be invoiced only for the quantity actually delivered.
- j. Lechner shall not be obliged to inform the Contractual Partner of any excess delivery. In the event of a short delivery, however, Lechner shall notify the Contractual Partner accordingly.

## 4. PRICES

- a. If an order deviates from the original overall quotation, Lechner reserves the right to adjust the price accordingly.
- b. Prices are based on the cost structure applicable at the time the quotation is issued by Lechner. Should the conditions relevant to pricing increase prior to delivery, in particular due to changes in labor costs, collective bargaining agreements, raw material prices, energy costs, or similar factors, Lechner shall be entitled, at its reasonable discretion, to adjust the prices accordingly.
- c. All prices stated in writing are ex works or ex warehouse (EXW according to Incoterms) of Lechner and include the costs of standard packaging (plastic parts are supplied in bulk in Lechner’s standard cartons). The stated prices do not include special packaging (deviations from standard packaging), loading, or statutory value-added tax (VAT). Any fees, taxes or other charges incurred in connection with delivery shall be borne by the Contractual Partner.
- d. If delivery has been agreed, the delivery costs as well as any transport insurance requested by the Contractual Partner shall be invoiced separately. Delivery shall not

include unloading of the goods. Packaging shall only be taken back if expressly agreed with Lechner.

#### 5. DELIVERY and TRANSFER of RISK

- a. Delivery and performance periods stated by Lechner shall be non-binding, unless expressly agreed as binding in writing in the order confirmation or in an individual agreement. If, after the order has been placed, the order is amended or supplemented for any reason whatsoever, the delivery and performance period shall be extended by a reasonable period of time.
- b. Deliveries by Lechner shall be deemed completed upon provision of the goods at Lechner's production facility or warehouse, once the customer has been informed of such availability. The Contractual Partner shall collect the provided goods without delay, but no later than within three (3) working days.
- c. If Lechner is prevented from fulfilling its obligations due to unforeseeable, unavoidable or non-attributable circumstances, such as force majeure, war, riots, terrorist acts, operational disruptions, embargoes, sanctions, governmental or regulatory measures and interventions, fire, flooding, pandemics, strikes, obstruction of transport routes or delays in customs clearance, Lechner shall be released from its performance obligations for the duration and to the extent of the disruption. The delivery and performance period shall be extended by the duration of the disruption plus a reasonable restart period. Lechner shall inform the Contractual Partner of the circumstances causing the hindrance and the expected duration of the delay.
- d. The Contractual Partner shall not be entitled to assert any claims for damages due to the exceeding of delivery periods, except in cases of gross negligence or willful misconduct on the part of Lechner.
- e. If performance of the contract becomes impossible for reasons not attributable to Lechner, Lechner's obligation to perform shall cease. In such case, the Contractual Partner shall have no claims for damages or substitute performance.
- f. Lechner shall be entitled to make partial deliveries or advance deliveries and to invoice them accordingly. If a framework agreement has been concluded, the Contractual Partner shall be obliged to call off the total quantity agreed in the framework agreement in full within twelve (12) months from the date of conclusion of the contract.
- g. If shipment is delayed at the request of the Contractual Partner or for reasons not attributable to Lechner, the Contractual Partner shall bear the resulting storage costs. From the date on which Lechner notifies the Contractual Partner that the goods are ready for shipment, Lechner shall charge a monthly flat storage fee of at least 1.5% of the invoice value per commenced month, unless otherwise agreed.
- h. The risk shall pass to the Contractual Partner as soon as Lechner makes the goods available for collection at Lechner's production facility or warehouse, irrespective of whether the goods are handed over to a transport service provider. Shipment as well as loading and unloading shall in all cases be at the expense and risk of the Contractual Partner. This shall also apply to partial deliveries or if Lechner organizes or carries out the transport. If Lechner assists the Contractual Partner or the carrier during loading, such assistance shall be provided without any obligation, at the customer's risk, and any liability of Lechner for damages

caused in this context shall be excluded.

- i. The place of performance for delivery and performance shall be the registered office of Lechner at A-2540 Bad Vöslau, Flugfeldstraße 60, even if delivery is contractually agreed to take place at a different location.

#### 6. PAYMENT und REMINDERS

- a. Unless agreed otherwise, the following payment terms shall apply to the due date of the price:
  - Injection moulding tools: 40% upon placement of the order, 30% upon initial sampling, and 30% upon invoicing; net amount plus statutory value-added tax (VAT).
  - Products and regrind material: 100% payable within fourteen (14) days from the invoice date, net amount plus statutory value-added tax (VAT).
- b. Payments shall be made in full and without any deductions to the bank account designated by Lechner. Any interest and charges incurred in connection therewith shall be borne by the Contractual Partner.
- c. A payment shall be deemed made on the date on which Lechner is able to dispose of the amount.
- d. The Contractual Partner shall not be entitled to withhold payments or to offset payments against counterclaims, including in the event of asserted warranty claims or other claims.
- e. If no payment has been received by the due date of the respective invoice, the Contractual Partner shall be in default of payment without the need for a reminder. If the Contractual Partner is in default with an agreed payment, Lechner shall, without prejudice to its other rights, be entitled to suspend its performance obligations until payment has been made by the Contractual Partner and/or to claim a reasonable extension of the delivery period and to declare all outstanding receivables immediately due and payable.
- f. If the Contractual Partner is in default of payment, default interest at a rate of 10% p.a. as well as reimbursement of all costs incurred as a result thereof shall be deemed agreed. Such costs shall include, in particular, reminder fees, debt collection costs, storage costs, and pre-litigation legal fees, including statutory value-added tax (VAT). In addition, all judicial and extrajudicial costs incurred in the enforcement of claims shall be borne by the Contractual Partner.

#### 7. RETENTION OF TITLE

- a. Lechner shall retain title to all goods delivered by it (including injection moulding tools) until full payment of the purchase price, including interest and costs, has been received, even if the goods are resold, modified, processed, combined, mixed, or permanently connected with or installed in the Contractual Partner's property.
- b. The Contractual Partner hereby assigns to Lechner all claims and rights arising from the resale, processing, mixing or any other utilization of the goods subject to retention of title, which Lechner hereby accepts. Until full payment of the purchase price has been made, the Contractual Partner shall record such assignment in its books or invoices and inform its debtors accordingly. Upon request, the Contractual Partner shall provide Lechner with all documents and information necessary to enforce the assigned claims.
- c. Until all claims of Lechner have been fully settled, the goods subject to retention of title shall not be pledged, assigned as security, or otherwise encumbered with third-party rights. In the event of seizure or any other enforcement action, the

Contractual Partner shall inform Lechner without delay and draw attention to Lechner's ownership rights. If the Contractual Partner fails to pay in full and on time, or if insolvency proceedings are opened or applied for against its assets, Lechner shall be entitled to demand immediate return of the delivered goods that have not yet been fully paid for. This right shall also apply in the event that an insolvency petition is rejected due to insufficient assets, in the event of actual cessation of payments, or if the Contractual Partner attempts to reach an out-of-court settlement with its creditors. The return of the goods subject to retention of title shall not constitute a withdrawal from the contract, unless Lechner expressly declares otherwise in writing. Lechner's right to claim damages for non-performance shall remain unaffected.

- d. All costs incurred by Lechner as a result of exercising its rights under the retention of title shall be borne by the Contractual Partner. Such costs shall include, in particular, expenses for recovery, storage, or legal measures.

#### **8. RIGHT of RETENTION**

- a. For the purpose of securing its claims, including claims arising from other legal transactions, Lechner shall be entitled to retain its services, products and goods until all outstanding claims arising from the business relationship have been fully settled.
- b. This right of retention shall also apply even if the claims are not yet due, provided that insolvency proceedings have been opened or applied for against the assets of the Contractual Partner. This shall likewise apply in the event that an insolvency petition is rejected due to insufficient assets, in the event of actual cessation of payments, in the event that the Contractual Partner attempts to reach an out-of-court settlement with its creditors, or if enforcement measures against the assets of the Contractual Partner are unsuccessful, including enforcement by third parties.

#### **9. QUALITY and WARRANTY**

- a. Upon handover, the goods and other services shall comply with the agreed specifications. These shall be determined by the information contained in Lechner's quotations, the specifications agreed in writing, and, where applicable, by the sample part approved by the Contractual Partner, provided that production approval has been agreed.
- b. Lechner shall provide no warranty that the goods or other services are suitable for specific applications intended by the Contractual Partner, even if such applications are stated in the Contractual Partner's specifications. Any such suitability shall be deemed agreed only if expressly and confirmed in writing by Lechner, including confirmation of the material from which the goods are manufactured. It shall be the sole responsibility of the Contractual Partner to verify whether the goods or services that comply with the agreed specifications are suitable for the intended purpose and type of use. Any warranty for ordinary use or for a customary and expected quality of the goods or services is hereby expressly excluded.
- c. If the goods or other services are manufactured in accordance with the information, drawings, plans, models or other specifications provided by the Contractual Partner, Lechner shall warrant only the contractual conformity of the execution. Lechner shall not be obliged to verify the accuracy or completeness of the specifications or documents provided by the Contractual Partner. Any responsibility or liability of Lechner for the design or construction of the goods or services shall be excluded.

- d. Information contained in catalogues, brochures, price lists, trade fair displays, circulars, advertising materials or other media, such as websites and similar publications, shall under no circumstances be deemed warranties or guarantees of any specific quality of the goods and/or other services. No warranty claims may be derived therefrom.

- e. Subject to compliance with the agreed payment terms and within the scope of these Terms and Conditions, Lechner undertakes to remedy defects that already existed at the time of handover. The Contractual Partner shall be obliged to prove that the defect already existed at the time of handover; the statutory presumption pursuant to Section 924 of the Austrian Civil Code (ABGB) is hereby expressly excluded. Upon timely notification of defects, Lechner shall be entitled, at its discretion, to choose one of the following remedies:

- to repair the defective goods on site;
- to have the defective goods or defective parts sent to Lechner for repair at the expense of the Contractual Partner;
- to replace the defective goods or parts;
- to grant an appropriate price reduction.

- f. The warranty period shall be six (6) months from the transfer of risk within the meaning of these Terms and Conditions, unless otherwise expressly agreed in writing. This shall also apply to goods that are permanently affixed to a building or to land.

- g. Warranty claims may be asserted by the Contractual Partner only if Lechner is notified of any identifiable defect or complaint without delay, but no later than within five (5) days after acceptance, in writing and stating the possible causes. After an agreed acceptance, warranty claims shall be excluded if the defects were recognizable or obvious at the time of acceptance.

- h. Warranty claims shall be excluded if defects are attributable to improper handling, excessive use, or non-compliance with statutory instructions or operating and installation instructions issued by Lechner. The same shall apply in the event of incorrect assembly or commissioning by the Contractual Partner or third parties, natural wear and tear, transport damage, improper storage, unsuitable operating conditions, chemical or electrical influences, as well as lack of maintenance or improper maintenance. Lechner shall in no event be liable for indirect damages or consequential damages, including loss of profit.

- i. Any warranty obligation shall cease immediately if the customer itself or a third party authorized by the customer carries out modifications or repairs on the goods without Lechner's prior written consent.

- j. If it is determined that a notice of defect is unjustified, and the Contractual Partner recognized this or failed to recognize it due to negligence, the Contractual Partner shall be obliged to reimburse Lechner for the expenses incurred in connection with the inspection.

#### **10. END of PRODUCTION LIFE CYCLE and STORAGE COSTS**

- a. The customer shall be obliged to inform Lechner without delay of the end of the product life cycle, so that appropriate measures such as continued storage, return, utilization or disposal can be coordinated and implemented.

- b. If an injection moulded product is not ordered for a period of twelve (12) months, the product life cycle shall be deemed ended from a commercial perspective.

- c. Unless otherwise expressly agreed in writing, Lechner shall be entitled, after expiry of the above-mentioned twelve

(12) months, to charge reasonable storage costs for the continued storage of the associated products, tools or moulds. The amount of the storage costs shall depend on the respective circumstances, in particular on storage duration, storage effort, space requirements and the type of stored items.

- d. Lechner shall be entitled to offer the customer the scrapping of the stored tools. The scrapping itself shall not incur any costs for the customer.
- e. Scrapping shall be carried out exclusively upon the customer's prior written consent. Upon granting such consent, ownership of the respective tools shall transfer to Lechner. The customer acknowledges that, once scrapping has been carried out, any further production of the respective article is permanently excluded.
- f. Upon execution of the scrapping, the customer waives all claims against Lechner, in particular claims for return, damages or replacement, in connection with the scrapped tools.

#### 11. WITHDRAWAL from the CONTRACT

- a. A prerequisite for the Contractual Partner's withdrawal from the contract shall be delay in delivery attributable to gross negligence on the part of Lechner, as well as the unsuccessful expiry of a reasonable grace period granted to Lechner. Withdrawal from the contract must be declared by registered letter.
- b. Without prejudice to its other rights, Lechner shall be entitled to withdraw from the contract,
  - if performance of the delivery becomes impossible for reasons attributable to the Contractual Partner, or is further delayed despite the granting of a reasonable grace period.
  - if concerns arise regarding the Contractual Partner's ability to pay and, upon Lechner's request, the Contractual Partner neither makes an advance payment nor provides adequate security.

In such cases, the Contractual Partner shall be obliged to compensate Lechner for all disadvantages incurred as a result thereof, including loss of profit.

- c. Withdrawal from the contract may also be declared with respect to any outstanding part of the delivery or performance for the reasons stated above.
- d. If an application for the opening of insolvency proceedings is filed against the assets of the Contractual Partner, Lechner shall be entitled to insist on performance upon provision of adequate security or to withdraw from the contract without granting a grace period.

#### 12. LIABILITY

- a. Lechner shall be liable for damages outside the scope of the Product Liability Act only within the framework of the applicable statutory provisions and only if intent or gross negligence is proven. In cases of gross negligence, liability shall be limited to a maximum amount of EUR 500,000. Lechner shall be liable for loss of profit exclusively in cases of willful misconduct.
- b. Any liability for slight negligence, business interruption, loss of data, loss of interest, as well as claims asserted by third parties against the Contractual Partner, shall be excluded. Consequential damages and purely financial losses shall be compensated only if they arise directly from damage to property or personal injury. Recall costs and damages in connection with recall actions shall not be compensated, even in cases of fault.
- c. Any fault on the part of Lechner shall be proven by the Contractual Partner. The reversal of the burden of proof pursuant to Section 1298 of the Austrian

Civil Code (ABGB) is hereby expressly excluded.

- d. If the agreed conditions for installation, commissioning or use are not complied with, any claim for damages shall be excluded.
- e. A claim for damages due to non-performance may not be asserted in lieu of warranty claims.
- f. Unless mandatory statutory provisions provide otherwise, any claims going beyond the liability claims expressly regulated in these Terms and Conditions of Sale and Delivery arising from the same damaging event shall be excluded. In particular, there shall be no claims for liquidated damages, contractual penalties or other comparable sanctions.

#### 13. INDUSTRIAL PROPERTY and COPYRIGHT

- a. All intellectual property rights – in particular copyrights, industrial property rights, know-how, software, technical processes, as well as execution and production documents such as plans, sketches, instructions, samples, prototypes, catalogues, brochures and illustrations – shall be the exclusive property of Lechner or its licensors. These rights shall be subject to the applicable statutory provisions, in particular those relating to protection against reproduction, imitation and unfair competition.
- b. If goods are manufactured by Lechner on the basis of drawings, models, specifications or other instructions provided by the Contractual Partner, the Contractual Partner shall be liable for ensuring that no third-party intellectual property rights are infringed as a result thereof. The Contractual Partner undertakes to fully indemnify and hold Lechner harmless in such cases. Lechner shall not be obliged to examine the documents provided by the Contractual Partner for possible infringements of intellectual property rights.

#### 14. DATA PROTECTION PROVISIONS

- a. Lechner shall process personal data in accordance with the privacy policy published on its website under "Data Protection Provisions".
- b. Both parties undertake to treat all information obtained in the course of the business relationship as strictly confidential and not to disclose such information to third parties.

#### 15. CODE OF CONDUCT and COMPLIANCE

- a. The Contractual Partner undertakes to act responsibly and to adhere to the highest ethical standards. The Contractual Partner shall comply with the principles set out in Lechner's Code of Conduct (available on Lechner's website) or with at least equivalent standards. In particular, the Contractual Partner undertakes to introduce and implement appropriate rules and measures within its organization that comply with the requirements of Lechner's Code of Conduct.
- b. Lechner shall be entitled, upon reasonable prior notice, to review compliance with principles equivalent to those set out in the Code of Conduct, in particular with regard to human rights and environmental protection. For this purpose, the Contractual Partner shall permit on-site audits at its premises. Such audits shall be carried out in coordination with the Contractual Partner and in compliance with business confidentiality and applicable data protection laws. The Contractual Partner undertakes to respond appropriately to any identified deficiencies and to implement agreed remedial measures.
- c. The Contractual Partner undertakes to use its best efforts to ensure that its own business and contractual

partners also comply with the aforementioned principles and implement appropriate rules and measures within their respective areas of responsibility.

- d. Any breach of these provisions or of the Code of Conduct shall be deemed a material breach of contract. In the event of suspected or established non-compliance, Lechner shall be entitled to request information and, in coordination with the Contractual Partner, to require remedial measures within a reasonable period. If no remedial action is taken or if a serious breach occurs, Lechner shall be entitled to terminate the contractual relationship extraordinarily and with immediate effect.

#### **16. EXPORT CONTROL**

- a. Lechner's obligation to perform the contract shall be subject to the condition that no national or international export control regulations, embargoes, or other economic or trade-related sanctions prevent such performance.
- b. The Contractual Partner undertakes to comply with all applicable national and international export and re-export control regulations. This shall include, in particular, any existing embargoes and sanctions. In all cases, the export control regulations of the European Union shall be observed.
- c. The Contractual Partner undertakes to fully indemnify and hold Lechner harmless from any claims asserted by authorities or third parties arising from the Contractual Partner's non-compliance with export control regulations. The Contractual Partner shall fully compensate Lechner for all damages and costs incurred as a result thereof. In the event of such a violation, Lechner shall furthermore be entitled to terminate the contract extraordinarily and with immediate effect.

#### **17. GENERAL PROVISIONS**

- a. Should any provision of this contract be or become wholly or partially invalid or unenforceable, this shall not affect the validity of the remaining provisions. In place of the invalid or unenforceable provision, a provision shall be deemed agreed that comes as close as legally permissible to the economic purpose of the original provision.
- b. To the extent that no provision is made in these Terms and Conditions, the relevant statutory provisions shall apply exclusively.
- c. For any disputes arising between the Contractual Partner and Lechner, the court having subject-matter jurisdiction in Wiener Neustadt, Austria, shall have jurisdiction. Lechner shall, however, also be entitled to bring an action before the court having jurisdiction over the Contractual Partner.
- d. This contract shall be governed exclusively by the substantive law of the Republic of Austria, excluding the conflict-of-law rules of international private law. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is expressly excluded.