

## General Purchasing Conditions PIEZOCRYST Advanced Sensorics GmbH

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If not otherwise expressly agreed upon in writing, the following conditions shall apply to the contractual relationship. Upon execution of the purchase order (first delivery), these General Purchasing Conditions shall be regarded as recognized, and the supplier shall also recognize these conditions as legally binding for all subsequent deliveries. Deviating or supplementary conditions shall only be applicable if they are expressly recognized by us in writing.

### 1. Purchase Order

1.1 Purchase orders and amendments thereof shall only be valid if they have been made or confirmed by us in writing. If the supplier does not send a written order confirmation or start fulfilling the purchase order within 14 days after its receipt, we shall be entitled to revoke the respective purchase order without this giving rise to any claims against us. The supplier is obligated to compare the order revision with its existing revision number. If the revision numbers are not identical, the supplier is obligated to report this to Piezocryst before the start of production and to request a valid revision number.

1.2 The disclosure of our purchase orders in full or in partial form may only be done with our written consent. A violation of this provision entitles us to revoke a purchase order without substitution. Claims going beyond this shall remain unaffected.

1.3 The assignment of claims as well as the transfer of the collection of claims against us to third parties are excluded and also entitle us to revoke a purchase order without substitution. Claims going beyond this shall remain unaffected.

1.4 If the supplier discontinues his payments or if the supplier or one of its creditors files a petition of insolvency on the supplier's assets, we shall be entitled to withdraw from the contract or to terminate the contract with immediate effect notwithstanding other rights. The supplier is obligated to inform us immediately about such circumstances.

1.5 The supplier shall be under a duty to suggest changes to us which he considers necessary or expedient in view of revised statutory or other mandatory provisions or for other reasons. All changes of the contract must be done in written form.

### 2. Delivery

2.1 The stated dates of delivery are binding and correspond to the time the goods are received at the named place of destination, or otherwise at our premises. If compliance with the date of delivery is at risk, the supplier is obligated to immediately notify us in writing.

2.2 Even if we accept a postponement of the date of delivery, we expressly reserve the right to charge a penalty amounting to 1 % for each new week of delay (starting with the Monday following the week of delivery) but no more than 5 % of the total contract value. Furthermore, if the supplier is responsible for exceeding the delivery time, the supplier is obligated to use the fastest means of transportation available regardless of the mode of shipment prescribed in the purchase order in order to minimize the delay. The costs and expenses for this transport shall be paid by the supplier.

2.3 In case of a delivery delay for which the supplier is responsible, we shall be entitled to withdraw from the contract after the expiry of 14 days with immediate effect granting a grace period. If a fixed date has been agreed upon, the contract shall be cancelled as soon as this date is exceeded unless we demand the fulfilment of the contract within 14 days.

2.4 Partial deliveries and advance deliveries require our written consent, except for deliveries of up to 4 workdays prior to the date agreed upon. In these cases, the time for payment shall only start at the date contractually agreed upon.

2.5 If not otherwise expressly agreed upon, the deliveries shall be done DDP (Incoterms 2010) to the named place of destination. Packaging shall be chosen by observing the relevant packaging standards and by ensuring that delivery free of damages and efficient PIEZOCRYST internal handling are guaranteed.

2.6 We will inspect incoming goods within 60 days. In this respect the supplier waives the objection of a belated notification of defects. Our payment does not imply an acceptance of the goods without reservation.

2.7 As for hidden defects, which cannot be detected at acceptance or receipt, the warranty period shall not commence until such defects are identified.

2.8 In the case that we agree to a special release for delivery to be given by us, we shall be entitled to extend the time for delivery by up to 90 days. In this case, the supplier is obligated to preserve the goods carefully and free of charge until we agree to the release for delivery.

2.9 If defective delivered goods are found, a notice of defects will be sent and all parts will be shipped back for verification. This verification must be done within 3 working days. The sorting of defective parts is allowed if there is no effect on other product specifications and there is no change in the mean value of dimensions. The supplier is responsible for the costs of sorting, packaging and shipment. The supplier is obligated to carry out standardized fault rectification and to provide the corresponding necessary rectifying measures in the form of an 8D report or PDCA. An initial status report containing temporary precautions, e.g. more supplier side supervision, is expected within 3 working days. Completion of these measures is expected within 2 weeks, at the latest after a follow-up order or revision.

### 3. Compliance, Quality and Documentation

3.1 The goods to be delivered shall correspond to the currently applicable domestic and foreign regulations (including but not limited to the accident prevention and environment regulations, the relevant decrees and guidelines of the ÖVE/VDE Regulations, the REACH Regulation [EC] No. 1907/2006), the acknowledged current rules and standards and shall strictly correspond to the documents that are the basis of the purchase order, such as drawings, descriptions, samples, specifications, acceptance conditions, etc. The supplier shall provide all of the required data sheets and information leaflets and label deliveries in accordance with the applicable regulations (e.g. CLP Regulation [EC] No. 1272/2008).

3.2 The supplier is obligated to comply with all laws and regulations of the applicable jurisdictions. The supplier shall in particular not engage, either actively or passively, either directly or indirectly, in any kind of bribery or illicit payments, any violations of the human rights of its employees nor any use of child labor. The supplier shall use no products considered to be "conflict minerals", as specified in Section 1502 of the US Dodd-Frank Act, which were mined in the Democratic Republic of Congo or in bordering states. In case the goods provided by the supplier contain tin, tantalum, wolfram or gold, the supplier must be able to present all of the documentation needed to prove legal compliance of the entire supply chain upon request.

3.3 Suppliers located in the EU are obligated to provide the original of the supplier's (long-term) declaration for products having preferential status in accordance with Regulation [EC] No. 1207/2001 in the then current version within one calendar week after our corresponding request. If the supplier does not comply with this obligation or if the supplier's declaration does not comply with the legal requirements, we shall be compensated by the supplier and are free any liability resulting from such non-compliance and shall be fully relieved of liability for any loss, expense, damage or claim.

3.4 The supplier is obligated to establish a quality management system according to the requirements of the ISO 9001 standard, to perform a quality inspection suitable in its kind and scope and corresponding to the most current standards. The supplier must be aware of IT security against ISO27001 and CMMI.

3.5 Piezocryst Advanced Sensorics GmbH is certified according to ISO 14001, ISO 9001, The QES documents to be observed by suppliers, including the current list of ingredients and substances ("AVL Restricted Substances List") which may not be delivered to us or may only be delivered with some reservations, are listed on the Internet site [www.avl.com](http://www.avl.com) under Company > Quality, Environment, Safety & Security > Documents. If goods delivered by a supplier contain one of the substances mentioned, the supplier must contact the buyer listed on the purchase order and inform him about the substances concerned in each case.

3.6 Any change in the production process, place of production or place of shipment of goods needs approval in written form. Any costs due to changes are to be paid by the supplier. The supplier must inform us immediately about any changes in supply chain and/or subcontractors.

3.7 Without being explicitly ordered the supplier shall provide us with complete maintenance, operating and service instructions in electronic form and/or as hard copies for devices and instruments, parts of the systems or systems, at no additional cost.

3.8 Within the supplier's warning duty according to § 1168 a ABGB (Allgemeines Bürgerliches Gesetzbuch – General Civil Code), the supplier shall particularly inform the responsible representative of our Purchasing Department, who is named on the corresponding purchase order, in time and in writing.

### 4. Prices and Payment

4.1 The prices stated in the purchase order are fixed prices and therefore unchangeable until the full scope of supply and service has been fulfilled, unless otherwise agreed upon in writing.

4.2 Unless other agreements have been made in writing, the payment shall be made after the goods have been received in accordance with the contract and after the correct and verifiable invoice has been received. Payments will be made in net after 90 days at month's end on the 10th day of the following month.

4.3 In case of a defect requiring warranties, we are entitled to postpone payment until the problems have been properly remedied.

### 5. Warranty

5.1 For all deliveries and services, the supplier assumes full warranty for a period of 24 months. Defects occurring during this period shall be immediately remedied by the supplier upon request at the supplier's own cost. All costs relating to the elimination of such defects, even if they are incurred by us at our place of business, e.g. inspection, transport, disassembly and (re-)installation costs, shall be paid by the supplier. The warranty period shall be delayed for the duration of the remedy work until the defects have been successfully remedied. The exact place where the remedy of defects within the warranty obligation takes place remains our choice. Legal regulations going beyond this shall remain unaffected.

5.2 In cases in which the supplier fails to appropriately fulfil his warranty obligation upon request within an appropriate time as well as in other particularly urgent cases, we are entitled ipso jure to remedy the defects ourselves at the supplier's expense or have this done by a third party or, if this is not possible, to seek substitute goods or services otherwise. Furthermore, in the event of

repeated warranty claims, we are entitled to intervene and provide support in troubleshooting and corrective actions at the supplier's expense.

5.3 We reserve the right to immediately cancel the contract or to request a price reduction instead of the removal of defects and replacement. The supplier is responsible for any damages incurred by us because of defective deliveries.

5.4 In the event that we as the producer of the final product become liable for damages caused by defective raw material or a partial product delivered by the supplier, the supplier shall compensate us and hold us free of any such liability and shall fully relieve us from the liability for all loss, expense, damage or claim, regardless of whether the supplier is at fault or not.

## 6. Means of Production and Preliminary Material

6.1 The supplier shall handle with utmost care any production materials which we have provided and keep them at our disposal for 10 years from the last day of production. Upon our request the supplier shall return these materials to us immediately.

6.2 The production materials that have been manufactured or purchased by the supplier and for which we have paid manufacturing costs (tooling costs) shall be owned by us from the moment of manufacture or purchase. If we pay at least 50 % of the manufacturing cost (tooling cost), we can claim the transfer of prorate co-ownership. These production materials shall be kept at our disposal for 10 years in a state ready for use and marked with undeletable labelling "Eigentum (Miteigentum) der Firma PIEZOCRYST Graz" ["Ownership (Co-Ownership) of PIEZOCRYST, Graz"]. If the supplier is not in the position to keep the production materials at our disposal for 10 years in a state ready for use, the supplier is obligated to inform us in writing and to deliver the production materials to us upon request.

6.3 In case of damage, loss or destruction of raw material supplied by us [semi-finished products, castings, pre-processed parts, etc.], the supplier shall reimburse us for the cost of replacement cost.

## 7. Confidentiality

7.1 All drawings, calculations and the like submitted for making quotations or executing purchase orders shall remain our property and shall be returned to us along with the quotation or after the execution of the purchase order. These documents may not be duplicated or made accessible to third parties without our written consent.

7.2 The supplier is obligated to treat the purchase order and the resulting work as well as all the pertinent technical and commercial documents and equipment as secret and strictly confidential. If we agree to subcontract parts of work under the purchase order in question, the supplier shall correspondingly oblige his subcontractors.

7.3 The supplier shall take any steps necessary to effectively protect any Confidential Information against the access of unauthorized third parties applying the very latest technology. In particular, without limitation, the supplier must protect Confidential Information against theft, loss, manipulation, damage or any type of reproduction. If the supplier becomes aware that unauthorized third parties might have gained knowledge of the Confidential Information, the supplier must notify us of this immediately and – in consultation with us – initiate any steps necessary to investigate the matter and to prevent any future accesses.

7.4 If the supplier stores, edits or processes the Confidential Information on his own data processing systems, the supplier must ensure that unauthorized third parties are unable to access such data.

7.5 The supplier shall return any Confidential Information, data, documents and storage media upon completion of the order. In addition, the supplier shall, at our option, remove any data or information from his data processing systems and return to us any reproductions of data and storage media or destroy the reproduction in such a manner that a reconstruction of the data is not possible. At our request, the supplier shall produce evidence and a written confirmation of the full return or destruction.

7.6 The supplier shall be obligated to comply and adhere to all of the relevant data protection regulations as amended. The supplier has the duty to inform all employees and sub-contractors of the relevant data protection regulations and oblige them to maintain data confidentiality.

## 8. Intellectual Property Rights of Third Parties

8.1 Any results developed by the supplier in connection with the work of Piezocryst shall become our exclusive and unrestricted property and shall be communicated and made available to us without delay. This shall also apply to inventions and/or shares in the invention made by the

supplier. The supplier shall assign all rights in such inventions and/or shares in the invention to us without reservation. Should we waive our rights to inventions and/or shares in the invention completely or in part, the supplier shall not have the right to assert rights in such inventions and/or shares in the invention (e.g. using them for its own, applying for industrial property rights, granting of licenses to third parties, etc.). Any inventions and/or shares in the invention shall be deemed compensated with the price acc. to Section 4.1.

8.2 The supplier is obligated to make deliveries or to provide services free of intellectual property rights of third parties. The supplier guarantees that third party property rights for delivery or service are not infringed upon, particularly in the execution of the contract and in the use of the object. The supplier shall compensate us and hold us harmless against any claims made by third parties because of infringement of intellectual property rights.

## 9. Compliance and Social Responsibility

We support and respect the protection of internationally proclaimed human rights and do everything to meet all of the applicable laws and regulations. We have implemented a Code of Conduct for our employees which is based on the principles of integrity, honesty and fairness and also expect our suppliers and their sub-contractors to adhere to the rules relating to the protection of internationally proclaimed human rights, all of the applicable laws and regulations and the principles these are based upon. The following aspects are of particular importance:

- respect for human rights,
- ban on child labor and forced labor,
- compliance with the minimum wage and social benefits set by law or common in the industrial sector,
- compliance with the working times set by law or by industry or other standards,
- compliance with applicable laws and regulations relating to freedom of association and right to collective bargaining,
- no discrimination based on racial or ethnic origin, gender, religion or personal beliefs, disability, age or sexual identity,
- compliance with health protection and occupational safety requirements,
- environmental responsibility,
- the strictest compliance with the anti-corruption regulations forbidding direct or indirect participation in any form of corruption, bribery or the improper granting of benefits
- compliance with applicable competition and antitrust laws, in particular compliance with the prohibition of anticompetitive agreements.

In view of these aspects, the supplier shall take reasonable measures and is obligated to prove this upon request without delay. The supplier shall further ensure that all sub-contractors also act in accordance with the rules specified in this section.

## 10. General Terms and Conditions

10.1 For the elaboration of quotations, layouts, cost estimates, etc., no remuneration shall be granted.

10.2 The supplier may mention business relations with us in advertising activities only with our explicit written consent.

10.3 This contractual relationship is subject to Austrian law - any other law that might be applicable on the basis of the Austrian "International Private Law" is explicitly excluded.

10.4 If individual clauses within these General Purchasing Conditions are invalid, this fact shall have no effect on the validity of the remaining clauses.

10.5 The place of performance for delivery shall be the place of destination named by us. The place of performance for the payment and the place of exclusive jurisdiction shall be Graz unless something else has been agreed upon in writing.

10.6 The legally binding acceptance of re-export restrictions resulting from technology transfer is limited to such goods which demonstrably require an export license in the country of delivery (for the US, the currently applicable version of the Export Administration Regulation of the US Department of Commerce shall be applicable), which additionally are correspondingly identified in the delivery papers, and for which the supplier has explicitly informed us about re-export restrictions in quotations and order confirmations.

10.7 Suppliers to whom the "Packaging Decree" applies are obligated to notify the "ARA" ("Altstoff Recycling Austria" – "Waste Material Recycling Austria") of their Waste Disposal License Number or to inform us how they plan to dispose of the delivered packaging material. In the absence of such information, we shall feel obliged to return the packaging unpaid or to charge the respective supplier with the costs for disposal.