GENERAL TERMS AND CONDITIONS OF PURCHASE

1. VALIDITY OF THE CUSTOMER'S TERMS

These general conditions of purchase govern the sale and supply of all goods/services supplied to CS COMBUSTION SOLUTIONS GmbH (hereinafter referred to as the “Customer”) to the exclusion of any other terms and conditions. Acceptance or fulfilment of an order will constitute the Supplier's acceptance of these conditions. The “Supplier” shall mean the person, firm or company to which the purchase order of CS COMBUSTION SOLUTIONS (GmbH) is addressed.

2. ORDER PLACEMENT, ORDER ACKNOWLEDGMENT, ORDER DOCUMENTATION/PRECEDENCE

2.1. Conclusion of the contract

The contract shall be deemed to have been concluded with the sending of a Purchase order (PO) as soon as either (1) the Supplier has submitted a quotation and an order has then been placed by the Customer; or (2) the Customer and the Supplier have made a Minutes of Contract Negotiations and an order has then been placed by the Customer; or (3) an order has been placed by the Customer and the Supplier has submitted an order confirmation form without restrictions issued on original paper of Customer or started work.

2.2. Payment

Until a contract is concluded, all payments or services provided shall be deemed to be properly paid. A quotation referring to a binding offer shall be deemed to be legally valid only when they are submitted on the Customer's order paper and are properly signed. Written telephone orders shall be deemed valid only when they are subsequently confirmed in writing by the Customer.

2.3. Order documentation

Any drawings or designs accompanying the Customer's requests or orders as well as any sample pieces, models, printing plates and other aids provided by the Customer shall remain the property of the Customer. No payment shall be made for the production of quotations even where these include plans or similar items. Any technical or commercial documentation supplied together with the order (paperwork, attachments, warranty terms and conditions, etc.) shall constitute an integral part of the contract. In the event of any conflict or incompatibility between the provisions set down in the order documentation as to the nature and scope of the parties' obligations under the contract, whatever the order of precedence shall apply: (1) last of the order; (2) Minutes of Contract Negotiations, if any; (3) The Customer's general project documentation and its specific technical and/or commercial documentation; (4) these general terms and conditions of purchase; (5) the Supplier's quotation.

3. PRICES/INVOICING/PAYMENT/BANK GUARANTEES

3.1. Prices

The prices set down in the order documentation – inclusive of any discounts and supplements – shall be fixed prices, exclusive of statutory VAT and inclusive of delivery to the point of use, packaging and shipping costs, insurance and also taxes, levies and duties associated with the goods and services supplied by the Supplier in these countries in which they are supplied. The manner in which prices are set shall have no effect on the agreement in respect of delivery dates, quantities or invoices.

3.2. Invoicing

The invoice shall state the Supplier number for the Customer, etc. must be clearly shown on the invoice. Invoices that do not indicate the above will not be accepted. Invoices must be submitted in one original copy together with a copy of the delivery note or the delivery note itself shall be accepted by the party accepting the goods/services at the Customer's premises. Invoices for services shall also be accompanied by confirmations of performance attached by the Supplier. CS COMBUSTION SOLUTIONS GmbH/Moedcenterstraße 17/Objekt 4/7/1110 Vienna, Austria. Original invoices may not be sent together with goods being supplied. Supporting documents, e.g. invoices, must also be sent on all invoices the movement of goods in addition to the statute required details of tax-exempt status.

3.3. Payment

Invoices shall be paid after all goods or services have been delivered and the associated invoice has been submitted provided that all paperwork required for verification of the invoice has been supplied (correct delivery receipts, quantity lists, etc. together with the stipulated documentation and/or the acceptance note signed by the Customer, etc.). If items are delivered early, the payment terms shall be counted only from the delivery date set down in the order. Unless otherwise agreed, the Customer shall pay the Supplier the invoice amount together with the VAT and other taxes and duties due within 45 days of receipt of the invoice or the invoice amount within 90 days of receipt of the invoice, provided in both cases that the goods have been supplied or the services performed correctly and in full. Payment does not signify that the Customer acknowledges correct provision of goods or services and that it thereby waives the right to due performance, warranty claims, compensation, contractual penalties, etc. Cash discounts on purchases that shall be accepted (except where specifically agreed in writing).

The Customer shall be entitled to withhold payment at any time in the event that the Supplier has not fulfilled its contractual obligations (e.g., in terms of quality, delivery, function, etc.) in the event that the Supplier has not received outstanding defects or problems. The withholding of payments will not entitle the Supplier to interrupt or distort the following performance of obligations. The Supplier claims a discount for early payment is not affected by these provisions. If the Supplier disputes its obligation to pay in full or in part in the event that a supplier's bill or the goods supplied are damaged or destroyed before they have been accepted, the payment terms shall be counted only from the date on which the queries or defects are resolved or removed.

3.4. Bank guarantees

If bank guarantees are issued by the parties under the terms of an order as security for goods supplied/services performed, they must be made out in a form corresponding to the template provided by CS Combustion Solutions. The Supplier shall be bound by the terms of the bank guarantee unless the Supplier has received written notice in respect of any performance of services shall be binding. The stated time of delivery shall mean the day on which the delivery of all of the ordered goods is to be completed. The Supplier shall also be bound by any other written or oral instructions given to the Supplier by the Customer and/ or the Supplier in accordance with the Customer’s terms and conditions of purchase. In the event of early delivery without the Customer's consent, the Customer reserves the right to pay on the associated amount.

The Supplier must notify the Customer in writing at the earliest opportunity if circumstances arise or if it later becomes evident or known to the Supplier that there may be any doubt as to the correctness of the contract or purchase order. In the event that the Supplier fails to report these circumstances, the Supplier shall be entitled without granting an extension to withdraw from the contract, to insist on fulfillment of the contract or to demand the return of the goods or services rendered by the Supplier to the Customer as a result of a failure to adhere to the agreed supplies for goods or performance of services.

3.5. The Supplier may appeal on the grounds that necessary documentation has not been provided by the Supplier if it has not been delivered within an agreed time period after the request for documentation has been made. If it is not delivered within an agreed time period after requesting the documentation has been made, the Supplier shall be entitled to withdraw from the contract.

4. SCHEDULES FOR THE SUPPLY OF GOODS/PROVISION OF SERVICES

The delivery dates and dates for the delivery of goods and the supply of services shall be binding. The stated time of delivery shall mean the day on which the delivery of all of the ordered goods is to be completed. The Supplier shall also be bound by any other written or oral instructions given to the Supplier by the Customer and/or the Supplier in accordance with the Customer’s terms and conditions of purchase. In the event of early delivery without the Customer's consent, the Customer reserves the right to pay on the associated amount.

The Supplier must notify the Customer in writing at the earliest opportunity if circumstances arise or if it later becomes evident or known to the Supplier that there may be any doubt as to the correctness of the contract or purchase order. In the event that the Supplier fails to report these circumstances, the Supplier shall be entitled without granting an extension to withdraw from the contract, to insist on fulfillment of the contract or to demand the return of the goods or services rendered by the Supplier to the Customer as a result of a failure to adhere to the agreed supplies for goods or performance of services.

3.5. The Supplier may appeal on the grounds that necessary documentation has not been provided by the Supplier if it has not been delivered within an agreed time period after requesting the documentation has been made. If it is not delivered within an agreed time period after requesting the documentation has been made, the Supplier shall be entitled to withdraw from the contract.
11. SUBCONTRACTORS

The Supplier confirms that all subcontractors used will be approved subcontractors without the prior written agreement of the Customer. The Customer shall be entitled to refusal if the Supplier fails to provide the required documentation. The Customer shall also be entitled to ask the Supplier to tender to other suppliers.

12. IMPELEMENATION, HEALTH AND SAFETY, QUALITY/ACCOMPANYING CHECKS, ASSEMBLY

12.1. Implementation, health and safety

The Supplier shall ensure that the work is carried out in compliance with the legal provisions for health and safety, accident prevention and workplace medicine as well as the provisions governing product liability and accident prevention regulations. The Customer shall have the right to require the Supplier and its subcontractors to carry out works in a safe manner. The Supplier shall be liable towards the Customer for performance of the entire order even in the event that work is assigned to subcontractors.

13. DOCUMENTATION

13.1. Documentation

1. Under the terms of this provision, documentation means documents related to construction, manufacture, installation, test, inspection and record keeping of the supervisory bodies specified by the Customer. The Supplier undertakes to present the documentation required for the test by the Customer and the implementation plan for the test before the date of the procedure involved. The Customer reserves the right to take part in the test procedures. The Supplier undertakes to prepare test documentation as required for any other agreed documentation schedules that may exist, all technical and QA documents required for testing shall be provided to the Customer in a timely manner. The Supplier shall conform to the present documentation schedule at least two weeks before the date of the procedure involved. The Customer reserves the right to take part in the test procedure.

14. Assembly and erection work

The Supplier undertakes to ensure the appropriate, professional and timely provision of the goods and services specified. In the event that the components to be assembled are supplied by the Supplier, the Customer shall carefully monitor the work performed and can at any time request additional information or require the Supplier to make any necessary changes to the assembly work performed. The Supplier shall also supply the documentation required for their assembly. The results of the tests and inspections carried out and the test materials and equipment shall be made available to the Customer.

The fact that testing has or has not been carried out by the Customer shall in no way limit the Supplier’s obligations and in particular will not constitute a waiver of the Customer’s rights, including but not limited to any subsequent claims for defects.

The Supplier shall permit the Customer, its UR and any other party to whom it has committed the work to which it has committed to and ensure that the subcontractors fulfill these obligations.

The Supplier shall not be permitted to subcontract work to parties other than the parties specified in the contract without prior notice to the Customer. The Supplier shall not be permitted to subcontract to a party which has not undergone an alternative audit of subcontractors by the Supplier in project financial terms. The Supplier may make no demands for periods of suspension of work lasting 3

10.4. Right of use

In the event that the contract is cancelled, the Customer shall be entitled to make use of the goods or services ordered at no expense to the Customer or the UR until a replacement solution is adopted.

The Customer shall be entitled to demand at any time that the Supplier suspends work on fulfilment of the order. In such instances, the Supplier must provide the Customer with a detailed description of the resulting consequences. For that purpose, the Supplier may engage an alternative audit of subcontractors by the Supplier in project financial terms. The Supplier may make no demands for periods of suspension of work lasting 3

The number of parts or items that the Supplier may be obliged to replace shall not be limited and shall include, in particular, all parts, etc. and is designed to ensure that

The Supplier shall undertake to name the manufacturer and/or its own suppliers whenever required to do so by the Customer.

The fact that testing has or has not been carried out by the Customer shall in no way limit the Supplier’s obligations and in particular will not constitute a waiver of the Customer’s rights, including but not limited to any subsequent claims for defects.
model must be highlighted as appropriate.

5. To the extent necessary for the business case involved, the test documentation to be provided by the Supplier shall consist of quality control reports, test reports etc. and also project schedules and progress reports.

6. In terms of assembly documentation, documents for the purposes of correct and economic assembly must be provided in accordance with the project schedule and the actual items delivered. Any special tools to be used should also be documented.

7. The Supplier must fulfil all requirements in respect of special marking, certification and authorisations, such as CE markings, in force at the location where the plant is to be assembled and to which the Supplier’s goods are being sent. Non-compliant goods and/or goods without the appropriate markings shall not be accepted by the Customer.

14. DELIVERY ABROAD

The Supplier will be aware that the Delivery abroad of documentation and of goods of many different types will often require a permit owing to statutory regulations, for example. The Supplier shall ensure that at the time of the order the complete delivery of the items ordered is assured and will not be jeopardised by any regulatory or other restrictions. In cases where it delivers its own or the Customer’s documentation or goods abroad, the Supplier shall be responsible for checking whether the delivery will be permitted and – as far as possible – for ensuring that all permits required are obtained in good time and that all applicable legal regulations are adhered to. The Supplier shall inform the Customer about possible new bans or restrictions on exports in good time after concluding the contract and shall suggest alternative options to the Customer at no cost and at the earliest opportunity. If these provisions are breached the Customer reserves the right to claim replacement for any losses.

15. LAW, PLACE OF JURISDICTION, LANGUAGE OF THE CONTRACT

The place of performance for payment and place of jurisdiction shall be the place where the Customer's company is domiciled. Any disputes arising in connection with the order or with any breach, cancellation or nullity thereof shall, in accordance with the Rules of Arbitration and the Conciliation Rules of the International Arbitral Centre of the Austrian Federal Economic Chamber, be subject to the ultimate (judicature of one or more arbitrations nominated in accordance with these rules. Austrian substantive law shall apply without, however, giving effect to the 1980 UN Convention on the International Sale of Goods. The seat of the competent court arbitration is in Vienna. All proceedings will be conducted in the German language.

The Customer reserves the right to institute claims against the Supplier in the ordinary courts, also, as provided for by Austrian substantive law, without, however, giving effect to the 1980 UN Convention on the International Sale of Goods. The usual terms of trade must be set out in accordance with the applicable Incoterms – ICC/Paris.

The language of the contract shall be English.

16. SEVERABILITY

If any provision of these terms and conditions is or becomes invalid, ineffective, illegal or unenforceable, the validity of the remainder shall not be affected. If any provision is or becomes invalid, ineffective, illegal or unenforceable, the Supplier and Customer shall be obliged to replace it immediately with a provision that corresponds as closely as possible with the economic intention of the original provision.

17. GENERAL

17.1. Reservation of title

In view of the fact that the goods ordered by the Customer are in general incorporated into the Customer's products by means of machining or processing and any potential reservation of title thereby expires, all goods supplied to the Customer must be provided free from such reservations. In the event that the order acknowledgement or the invoice nevertheless contains such reservations, these shall be deemed ineffective even if they are not expressly contradicted by the Customer.

17.2. Entitlement to work, rights of use and patent rights, rights of third parties

1. By submitting an offer and/or by signing on conclusion of a contract, the Supplier affirms that it is in possession of all permits as may be required for the agreed performance of the services and/or supply of goods, including in the country where the goods are to be used or the services carried out. If required in the country where the goods are to be used or the services carried out, the Supplier shall be responsible for registering its company with the appropriate tax and commercial authorities. All costs associated with such registrations shall be borne exclusively by the Supplier.

2. The Supplier shall be liable for ensuring that the supply and use of the services and goods being supplied and/or of the equipment being manufactured do not infringe any patent rights of any third parties or any copyrights and that existing boycott provisions, blacklists, etc. are not breached. If it is claimed that such breaches or infringements have occurred, the Supplier undertakes fully to indemnify and hold the Customer and/or the UR harmless without limitation from any claims or damages brought by third parties to and guarantee the Customer and/or the UR unrestricted use of the items ordered or arrange other acceptable alternatives at no cost to the Customer and the UR.

3. The Supplier shall inform the Customer without delay of any infringement of third parties’ rights, even if these come to light only subsequently, and of any boycotts, blacklists, etc.

17.3. Follow-on orders

In order to protect the Customer’s know-how acquired by the Supplier in connection with the order and to ensure optimum operation of the complete equipment supplied, even after the warranty has elapsed, the Supplier shall grant the Customer the appropriate customer protection for a period of 10 years from the final delivery in respect of possible follow-on orders placed by the Customer or UR or its representatives in connection with the complete equipment supplied. The Supplier undertakes to make no direct or indirect offers to the UR, for example for replacement or expendable parts, without the agreement of the Customer as sales partner.

17.4. Confidentiality

The Supplier may not publish or exploit for publicity or other purposes the content of the order, the content of the business case, or any information which has been obtained from the Customer or has been subsequently developed and provided by the Supplier without the written consent of the Customer. In particular, any paperwork connected with performance of the order and other documentation provided by the Customer must be treated as confidential by the Supplier and used only for the execution of the order to which it relates. The Supplier shall also make persons who become aware of information and documentation subject to a corresponding duty of confidentiality. If this duty of confidentiality is infringed, the Supplier shall hold the Customer harmless from all claims including those brought by third parties.

The taking of photographic, film and video images on construction or factory sites shall be permitted only with the written consent of the Customer and the UR.