

§ 1 General information**1.1. Validity**

These purchasing terms and conditions apply in full, unless another term has been stipulated in the contract for a specific service. This also applies to individual provisions of these purchasing terms and conditions. The supplier expressly acknowledges that these purchasing terms and conditions are legally binding and part of the contract. This also applies in the event that a supplier refers to its own terms and conditions. Any terms and conditions of the supplier are expressly excluded from this contract.

1.2. Applicability

These general purchasing terms and conditions apply to all services provided for OTIS GmbH (hereinafter referred to as the client). The delivery of all types of goods and all kind of services are considered "services" in the context of these purchasing terms and conditions.

1.3. Priority of terms

Integral part of the contract applying in the following order are:

- The written agreement on which the contract is based (e.g. contract, order confirmation)
- These purchasing terms and conditions
- The statement of work that constitutes part of the contract
- The requirements documentation (requirements specifications, technical specifications, designs, etc) as agreed in the contract
- Any request-for-proposal and/or bidding documents
- The UTC Supplier Code of Conduct

In the event of conflicts, the terms and conditions apply in the above order.

§ 2 Quotations:**2.1. Quotations:**

Unless otherwise stipulated, all cost estimates will be submitted to client free of charge. Moreover, the supplier guarantees the correctness of its cost estimate. However, if supplier's costs are less than the estimate, the client must only pay for the actual costs incurred.

2.2. Completeness:

The supplier assures that its quotation (full or partial quotations) is complete. This means that supplier's quotation contains all the necessary service components and accessorial services that are required for full delivery of services.

2.3. Quality Standards:

The supplier must deliver services in such a way that the services and results conform at minimum to current technological standards, laws and the relevant technical standards at the time of hand-over.

§ 3 Purchase Orders

Only written purchase orders are binding for OTIS. The purchase order number and the order number of the client must be indicated on all correspondence.

§ 4 Order Confirmation

A contract is concluded by written order confirmation only if the content of the written order confirmation fully matches the content of the client's purchase order, including the purchasing terms and conditions. Only deviations confirmed in writing by Otis are contractually guaranteed. An implied acceptance by the client is expressly excluded.

§ 5 Prices

The agreed prices are fixed flat-rate prices and also include the costs of

- Delivery duty paid (= destination address specified in the client's purchase order)
- Packaging
- Shipping insurance
- Unloading
- Any incidental expenses

§ 6 Delivery Dates and Penalties

The Delivery Date is considered fulfilled and the service is considered delivered on time when

- The product physically arrives on the agreed place of delivery
- At the agreed time physically and
- Is free of defects.

Goods that are deficient in terms of quality and quantity will not be accepted. If a delivery date is specified on the purchase order, then the order is bound to a fixed date. The same applies if fixed date, fixed, etc., is indicated on the purchase order. The client reserves the right to accept a delayed shipment/service or claim damages.

If the shipment is delayed, the client will charge a penalty of 2% of the order value for each each week. The penalty is not dependent on proof of fault or actual damage incurred and is not subject to a judicial reduction. In addition, the supplier is obligated to play claims for damages resulting from failure to meet agreed delivery dates, should the damage exceed the amount of the penalty.

§ 7 Shipping method

Each shipment must contain a delivery note indicating the purchase order and order number of the client and **clearly stating the services rendered**. The shipment will not be accepted if shipping documents are incomplete. In such cases, the order will be considered not fulfilled and stored at the risk and expense of the supplier. The terms specified in Section 6 apply notwithstanding.

In the case of international shipments, the goods must be entrusted to the shipping company specified by the client.

The client reserves the right to reject cash-on-delivery (COD) shipments.

§ 8 Packaging Materials, Machine Parts replaced, Disposal

In the case of shipments of machines that are also set up by the supplier, the supplier must dispose of any packaging material in accordance with statutory waste disposal and environmental regulations. In particular, the supplier is responsible for complying with repatriation requirements under the Waste Management Act. In the case of maintenance work on machinery, the maintenance company must collect the exchanged parts for disposal.

§ 9 Warranty, Damages and Product Liability**9.1. Scope**

The supplier must provide the warranty in accordance with the relevant legal provisions, in particular sections 922 and 1167 of the Civil Code of Austria, regardless of whether the supplier has produced the goods or provided the service itself.

9.2. Period

The warranty period for defects becomes effective upon acceptance of non-defective goods or services (including repairs) and lasts 39 months. For goods that usually remain packed until use, the time of delivery is considered the date on which the product is unpacked. If the quality of the goods can only be ascertained after they are commissioned, the warranty period starts at the time of commissioning.

Replacements of inadequate and therefore non-accepted goods must be delivered within 4 weeks. Replacements must be invoiced; the due date of the invoice depends on the issue date of the invoice for the replacement. Any deadlines for cash discounts granted to the purchaser start from this date.

9.3. Rectification of defects:

Defects must always be rectified immediately. If the supplier is unable to rectify defects within a reasonable time, the client is entitled, at its own discretion, to

- Have the defects rectified by a third party at the expense of the supplier
- Request a price reduction, or
- Cancel the contract (annulment) in the case the defect is not only minor

9.4. Notification period

The supplier expressly waives the right to claim late notification of defects under Section 377 of the Austrian Commercial Code.

9.5. Liability

The supplier is liable to the client for all personal, material and property damage (including loss of profit) caused by the supplier or its agents, even in the case of minor negligence. The same applies to omission or improper performance of contractually agreed work and other violations of the contract.

9.6. Product liability

The supplier is liable for all damage incurred by the client as a result of unknowingly failing to observe storage or operating instructions that were not included with the shipment. The supplier assures that the product is in proper condition and suitable for its intended use without any restrictions, and entails no special risks in its handling or use. The supplier may not exclude or restrict claims for damages and claims under the Product Liability Act. In particular, the supplier may not restrict its liability to gross negligence. The supplier bears the burden of proof.

9.7. Agents

If the supplier intends to have third parties (agents) render the services or parts thereof, the supplier must obtain the approval of the client in advance. A violation of this provision entitles the client to withdraw from the contract with immediate effect and source replacements at the supplier's expense, or to claim a penalty in the amount of 5,000 EUR per violation.

Even if the services or any part thereof are rendered by third parties, the supplier is liable for the delivery of all contractually agreed services and their contingent obligations.

9.8. Third-party dependencies

If the fulfillment of contractual services for the supplier is dependent on third parties that are not agents of the supplier itself and not within the supplier's sphere of responsibility, the supplier must state this fact in writing when the quotation is submitted.

If the supplier does not meet these obligations, the supplier will be liable for any adverse consequences (such as e.g. delays).

9.9. Potential hazards/extra costs

If the supplier becomes aware of any circumstances, regardless of their nature, that could jeopardize the delivery of the contractually agreed services or result in higher costs, the supplier must immediately inform the client in writing of such circumstances and about any actions to be taken in response. If the supplier does not fulfill this obligation, the supplier will be liable for any adverse consequences and indemnify and hold harmless the client.

If problems arise while the supplier is rendering services and these problems were not known to the client because the supplier failed to inform the client in advance, or if delays or additional expenses are incurred as a result of circumstances caused by the supplier, the client is entitled at his choice to

- Withdraw from the contract without remunerating the supplier for the service, or
- Demand delivery of the service with maximum effort on the part of the supplier in order to meet the original objectives and the original schedule.

The supplier is obligated to indemnify and hold harmless the client in this respect. .

9.10. Foreign suppliers

Foreign suppliers are fully liable for claims for damages and claims under the Product Liability Act. If a recipient makes a claim against the client for defective goods delivered by a foreign supplier, the foreign supplier is responsible for compensating the client for any resulting damages and adverse consequences and is obligated, without restriction, to indemnify and hold harmless the client with respect to these damages. This third-party indemnification of the foreign supplier cannot be excluded by citing foreign or other internationally applicable laws.

§ 10 Invoicing

Supplier invoices must always be submitted twice in EUR, in German Language, and must specify the purchase order number and Unit Number respectively the system number as well as the client's VAT Number. They must be sent to the accounting department at the client's business address attention to Finance Invoices must be mailed separately and may not be included with the shipment.

§ 11 Payments

11.1. Terms of payment

Payments will be made within 30 days from receipt of invoice and acceptance of goods with a 3% cash discount, or within 60 days without cash discount, via wire transfer in EUR.

Payments do not imply that the service has been accepted as properly delivered.

11.2. Withholding payments as a result of deficient service

If the client of the client withholds payments to the client or reduces prices as a result of deficiencies for which the supplier is responsible, the client is also entitled to withhold or reduce payments to the same extent.

§ 12 Choice of law, court of jurisdiction, arbitration

12.1 This contract is subject to Austrian law with the exception of the conflict of law rules of international private law (such as e.g. private international law, Rome Convention) and UN sales law.

12.2. The court of jurisdiction for all disputes is the relevant trial court in Vienna.

12.3 Provisions 12.1 and 12.2 notwithstanding, in the event that judgements of Austrian courts are not enforceable at the supplier's seat, the client also has the right to submit an appeal to a court of arbitration whose decisions are enforceable. The decisions of this court of arbitration are binding for both parties.

§ 13 Place of delivery

The place of delivery for the shipment is the receiving office or the address specified on the purchase order.

§ 14 Data protection

The contractor agrees that the information collected about the supplier and this agreement will be shared with affiliated companies in the USA. It will be used exclusively within the framework of supply management to coordinate purchasing activities across the Group. The contractor further agrees that its data will be used to ensure that the supplier is not included on the Denied Parties list.

§ 15 Provision of information and materials by the client

If the contract stipulates that the client must provide materials or information so that the supplier can fulfill the contract, the materials or information may be used only for the delivery of the agreed service.

The supplier agrees to treat as strictly confidential all information that is passed from the client to the supplier or that became made available to the supplier during fulfillment of its contractual obligations. The supplier may not make this data or information available to third parties, whether in whole or in part, directly or indirectly, without prior written consent. The supplier is obligated to impose the above obligations on its employees and all other persons whom he is entitled to consult under the contractual agreement.

§ 16 Special rights of withdrawal and their consequences

16.1. Accepting gifts

The supplier will not pay, offer or promise money or valuables, directly or indirectly to the following entities in the context of its contractual relationship with the client:

- a) Employees of the client or their relatives
- b) Private individuals or legal entities that are directly or indirectly associated with the client

If the supplier breaches this obligation, the client can terminate any agreement in writing with immediate effect.

16.2. Child labor

The client prohibits all forms of child labor at its companies in accordance with ILO Convention 138 (Convention concerning Minimum Age for Admission to Employment, 1973) and ILO Convention 182 (Worst Forms of Child Labor Convention, 1999). Solely legal apprenticeship arrangements, internships and similar training programs are permitted. Furthermore, the client does not purchase any goods or services from suppliers that make use of child labor. The supplier attests that the operative companies, company divisions and other business units it controls around the world do not make use of child labor to provide goods and services to their customers. If the supplier breaches this obligation, the client can terminate any agreement in writing with immediate effect.

16.3. Employment of foreign workers

The supplier is obligated to comply with all laws governing the employment of foreign workers. In the event of a violation, the client is entitled to terminate the contractual relationship with immediate effect and will be indemnified and hold harmless by the supplier.

16.4. Boycotts, trade restrictions

The purchase orders of the client are subject to the resolutive condition that the supplier is not listed on MK Denial or other site with the same purpose (www.mkdenial.com). In other words, if the supplier is listed, a contractual relationship will not be established. Should the supplier be listed at a later date, the client is entitled to terminate the contract immediately without notice. In this case, the supplier is entitled to compensation for work already completed, but is not entitled to the loss in profit.

16.5. Termination rights

The client has the right to immediately terminate the contract and recover damages in the following circumstances:

- If the supplier violates essential terms of the contract, including failure to comply with the UTC Supplier Code of Conduct.
- If insolvency proceedings are opened for the supplier's assets with or without trustee management, or proceedings are not opened due to a lack of assets.
- If the supplier refuses to cooperate in the event of an audit
- If the supplier or one of its employees is declared a persona non grata

The client may terminate the contract without specifying reasons by observing a notice period of 60 days.

Services rendered properly until then can be invoiced.

§ 17 Miscellaneous

17.1. Right of retention:

The supplier does not have a right of retention with respect to services it will deliver or has already delivered.

17.2. Retention of title:

The Retention of Title by the supplier is expressly prohibited.

17.3. Transfer of rights and obligations:

The supplier may not impose, cede or otherwise transfer rights and duties arising from the contractual relationship, including compensation claims and any claims for damages, to third parties without prior written consent.

The supplier will perform work for the client independently and autonomously.

17.4. Audit

The contractor agrees that an accountant appointed by the client will enter the premises, review business records and make copies. Reasonable advance notice will be given prior to the audit and trade secrets will be taken into consideration. The purpose of the audit is to verify fulfillment of contractual obligations and legal compliance of the contractor's business practices.

17.5. Severability clause:

Should individual provisions of the contract or the purchasing terms and conditions be or become legally ineffective, invalid or void, this does not affect the validity and/or legal validity of the remaining provisions. An ineffective, invalid or void provision must be replaced with a legally effective and valid provision that comes as close as possible to original intent of the ineffective, void or invalid provision.