

TERMS AND CONDITIONS

Terms and conditions for sale and delivery valid from 01.01.2019

1. OFFER, CONCLUSION OF CONTRACT AND CONTENTS OF CONTRACT

- 1.1. The following conditions apply to all present and future deliveries and services provided by COB Bearings GmbH (hereinafter COB), even if they are not expressly referred to. Any deviating terms and conditions of the customer, shall only apply with our written consent. Persons who issue orders or transport or collect goods for processing shall be considered as authorized to accept our General Terms and Conditions for the customer and to express reservations on the subject.
- 1.2. Our quotations and offers are subjected to change without notice and are non-binding unless they are expressly designated as binding.
- 1.3. A purchase contract will be binding and legally effective at the time of written order conformation by COB. COB is entitled to accept the purchase order within two weeks from receipt by sending a purchase order confirmation or by delivering the ordered goods. Partial deliveries are admissible.
- 1.4. COB retains the rights of samples, images, drawings, other documents and tools provided to customers. As COB reserves all copyrights and property rights to samples, drawings, calculations and documents and the passing on by the customer to third parties requires the express written consent of COB. This shall also apply in the event that the customer has borne part or all of the production costs. Furthermore, we are entitled to destroy all tools, sketches, drafts and other auxiliary products in our possession after 3 years from the last use (order).
- 1.5. Only prices confirmed by COB are binding. Arrangements or agreements that deviate from our standard terms and conditions or our price lists require our written confirmation to become effective.
- 1.6. Information provided in brochures, flyers, catalogues etc. is non-binding and only becomes part of the contract if agreed in writing.
- 1.7. The content of our order confirmation has to be checked by the customer and obliges him to immediately notify us in writing of any deviations from the message sent by him. In case, we do not receive any written complaint of our purchase order confirmation, the transaction will be processed as confirmed by us.

2. PRICES, COSTS

- 2.1. All prices indicated are in Euro and excluding VAT unless otherwise stated. The value added tax applicable on the date of invoicing is shown in its legal amount separately on the invoice.
- 2.2. Prices are subject to VAT at the applicable statutory rate. Any and all customs duties, fees and levies shall be paid by the customer.
- 2.3. The prices quoted apply "ex works" (INCOTERMS 2010) and do not include the costs of transport, packaging, freight, assembly or installation. Place of performance is 4693 Desselbrunn, Austria.
- 2.4. We charge additional costs for conformity certificates, test certificates and samples. Minimum fees are EUR 50.00 for certificate of origin, EUR 50.00 for certificate of compliance 2.1 according to DIN EN 10204, EUR 50.00 for certificate of compliance 2.2 according to DIN EN 10204, EUR 75.00 for acceptance test certificate 3.1 according to DIN EN 10204, EUR 250.00 for initial sample test reports and EUR 250.00 for initial sample test reports for aviation (FAI First Article Inspection).

3. TERMS OF PAYMENT, EXCLUSION OF COMPENSATION

- 3.1. Unless otherwise agreed, our invoices are due for payments within 30 days net from the date of invoice without deduction. Transfers are deemed to be payment only upon the amount has been credited to our account. Payments are only permitted in the currency stated in the invoice. Bills of exchange and cheques will only be accepted subject to written agreement, only on account of payment and exclude a cash discount deduction. Discount interest as well as all bank fees shall be borne exclusively by the customer.
- 3.2. If the customer defaults on payment, we shall be entitled, at our discretion, to demand compensation for the actual loss incurred or interest on arrears at the statutory rate. The default interest rate for entrepreneurs is 9.2% p.a. above the base interest rate. In case of customer default on payment, we shall also be entitled to demand compound interest from the day the goods were handed over. The customer undertakes to reimburse any costs of dunning and collection agencies incurred in the case of customer default on payment insofar as they are necessary for the appropriate legal actions. This includes in any case a lump sum of EUR 40.00 as compensation for debt collection costs pursuant to § 458 of the Austrian Commercial Code (Unternehmensgesetzbuch, UGB). This shall not affect the assertion of any further rights or claims. In case of customer default on a (partial) payment, we shall be entitled to demand immediate payment of any outstanding invoices not yet due and/or to require advance payment or appropriate security for future deliveries and services. In case of default of payment, we are furthermore entitled to withdraw from the contract by setting a grace period of 2 weeks.
- 3.3. It shall not be admissible for the customer to set off any counter-claims of the customer if the counterclaim is contested or has not been recognized by declaratory judgment, likewise it shall not be admissible to exercise a retention right without legally binding title or on the basis of claims arising from other transactions.

4. DELIVERY TIME, DELIVERY DELAY, IMPOSSIBILITY, DELAY IN ACCEPTANCE

- 4.1. We shall only be obliged to perform services as soon as the customer has fulfilled all his obligations required for delivery (e.g. receipt of the agreed down payment). We try to adhere to delivery times and deadlines as far as possible. They are, unless explicitly agreed as binding, always non-binding and always represent a prospective time for the delivery of goods. In the event of the failure to make a delivery on time, where COB is responsible for the delay, the customer is only entitled to withdraw from the contract after stipulate a reasonable extension period – of at least 4 weeks. Such withdrawal must be in writing. The right to withdraw relates solely to that part of the delivery or performance which is in default.
- 4.2. The day of delivery is the day of readiness of the goods for pickup and which is communicated to the customer for pickup. In the case of shipment by us, the delivery time is deemed to be met when the goods have left our premises or in the case of direct deliveries those of our pre-supplier. Any subsequent change requests or requests for additional services on the part of the customer will extend the delivery deadline appropriately. The same applies in case of unforeseen obstacles beyond our sphere of responsibility and/or that of our pre-supplier, e.g. force majeure, strike, lockouts, delay in the delivery of essential raw materials, other materials or parts.
- 4.3. Apart from intention or of gross negligence, the customer shall have no claim for compensation in all cases of late delivery or non-delivery even after the grace period has expired.
- 4.4. If a delivery is not possible as a result of delivery problems and/or price increases on the part of our pre-suppliers or the producer, we shall be entitled to withdraw from the contract without any obligation of compensation whatsoever.
- 4.5. Our liability for damage caused by delay is limited to 0.5 % of the value of the delivery in default with a maximum amount of 5 % of that part of the delivery which was not delivered in time.

- 4.6. If a delivery date is agreed, COB is allowed to invoice a storage charge of a maximum of 5 % of the price of goods per month or part thereof to customer in the event that the collection of goods by customer or his freight carrier is delayed for more than 2 weeks after notice of readiness for shipment.

Assuming the customer has been informed that the goods are ready for shipment and he or his carrier is already 2 weeks in arrears with the collection. At the same time, we are entitled either to insist on performance of contract or to withdraw from the contract after setting a reasonable period of grace and to use the goods elsewhere. In the event of a realisation, a contractual penalty of 10 % of the invoiced amount (excluding VAT) shall be deemed to have been agreed upon.

5. DELIVERY, SHIPPING, TRANSFER OF RISK, INSURANCE, PACKAGING

Unless otherwise agreed in writing, the goods are delivered from our premises in 4693 Desselbrunn, Sicking 22. The customer is obligated to accept our deliveries and services. We deliver without insurance coverage. The risk passes to the customer as soon as the goods have been handed over to the carrier or to another person carrying out the shipping, in case of customer's default on acceptance the risk passes with the time of readiness to dispatch. This also applies when the delivery is divided into partial deliveries or when we have accepted other additional performances. Unless explicitly agreed otherwise, the goods shall be deemed sold "ex works" INCOTERMS 2010.

6. RETENTION OF TITLE, ASSIGNMENT OF CLAIMS

- 6.1. The delivered goods remain our property until full payment of the purchase price. The customer bears the full risk for the goods subject to retention of title, in particular the risk of accidental loss, loss or deterioration
- 6.2. In the event that the goods are processed or adapted or combined with a third party's goods, our property rights shall extend to the new good. During the time for which the title of the goods lies with COB, customer is entitled to process the goods delivered or resell them within the scope of ordinary business operations. Until full payment of the price of purchased goods, customer cedes to us all claims and security interests accrued from such resale on account of payment. Customer is obliged to record the cession in customer's accounts. In case of customer default on payment, we are entitled to inform the repurchaser of the goods, who the customer shall identify to us, of the cession and demand payment to us.
- 6.3. Any pledge or transfer by way of security in favor of a third party with respect to goods where we retain title shall be inadmissible without our consent. Any pledge by a third party must be immediately notified to us by the customer. Acknowledgment of account balance shall not affect the retention of title, nor does the submission of bills of exchange or cheques until correct and actual encashment. If we make use of our retention of title and take back the goods, the credit note for these goods shall be reduced appropriately considering the storage time, wear and tear and other circumstances, but amount to at least 30 % of the invoice value. The ordering party undertakes to inform us prior to registering any insolvency proceedings so that we can take possession of any goods that were delivered subject to our retention of title.
- 6.4. In case of default on payment we are entitled to take possession of the goods, though this does not revoke the customer's duties under the purchase contract, in particular the duty to pay. In the event of goods are subjected to retention of title are pledged, the customer shall inform us immediately in detail, as well as the elimination of our goods due to impending insolvency is inadmissible, if a retention of title for the products exists. Charges on the goods while the retention of title applies are inadmissible. The goods delivered subject to retention of title must be duly and properly stored and adequately insured against any and all risks foreseeable in ordinary business operations.

7. NOTIFICATION OF DEFECTS, WARRANTY, COMPENSATION FOR DAMAGE, PRODUCT LIABILITY, ANCILLARY DUTIES

- 7.1. Defects shall be notified in writing immediately after receipt of delivery and performance, at the latest within 3 days, concealed defects within 3 days after discovery.
The notification of defect must be adequately explained and substantiated by proof. In case of delayed notification, customer shall not be entitled to claim of compensation, warranty or other legal rights based on these defects. This also applies in case of quantity errors.
- 7.2. The statutory warranty period is limited to a maximum of 1 year from receipt of the goods. The customer shall prove the existence of defects. § 924 of the Austrian Civil Code (ABGB) and § 933b ABGB shall not be applicable.
- 7.3. The warranty expires if the customer or a third party not authorized by us has carried out changes or maintenance of the goods.
- 7.4. In order to perform the services under the warranty, the customer must deliver the goods to us and collect them at his own expense and risk.
- 7.5. We shall not be liable for damage caused by incorrect or negligent handling, unsuitable equipment, improper or unsuitable use, excessive loads or neglectful treatment or storage.
- 7.6. Insofar as not contrary to mandatory law and insofar as not otherwise stipulated in these conditions, we shall only be liable for damage that we caused by gross negligence or intentionally. However, this limitation of liability does not apply to the compensation of personal injury. We are not liable for indirect damage, foregone profits, loss of interest, omitted savings, consequential and pecuniary damage and damage due to the claims of third parties. In case of gross negligence, liability is limited to 20 % of the value of the goods delivered but not more than the sum covered by our insurance.

8. ELECTRONIC BUSINESS CORRESPONDENCE

- 8.1. Orders or other declarations by the customer constituting legal acts may be sent validly using our electronic forms and by email but must be received free-of-error by us in order to be effective. Transmission errors – regardless of the cause – are at the risk of the customer.
- 8.2. We reserve the right to revoke without delay via appropriate means (individual message, notification on our web pages) the effectiveness of individual contractual declarations or contractual declarations made in a particular period of time, because of malfunction of our data processing plant, and to resend the declarations or request they be resent once again by a valid transmission.

9. PATENTS, TRADEMARKS AND COPYRIGHTS

- 9.1. In the event of litigation or litigation sought by a third party against the customer we will assist the customer, at our own expense, in defending such claim if it is an allegation that any of our products infringes a patent pending with the European Patent Office. The customer undertakes to inform us immediately of such legal disputes.
- 9.2. If it is determined that a product of ours actually infringes a patent filed with the European Patent Office, we will bear the costs of the lawsuit. Subsequently, we have the option to replace the infringing product with a non-infringing product or to modify the infringing product to make it non-infringing or to remove the product and refund the purchase price to the customer. Any further liability, for example for disassembly of the product, is excluded.

- 9.3. The provisions of clauses 9.1. and 9.2. shall not apply to products that have been modified, specified or manufactured in accordance with a customer's design. We are not liable for patent infringements resulting from materials provided by the customer (e.g. tools, plans, specifications, drawings, equipment or similar).
- 9.4. The customer warrants that he has the required copyright, trademark, design protection, patent or other industrial and intellectual property rights for tools, plans, specifications, drawings and the like, or has obtained the necessary permits from third parties. We are not subject to any kind of audit obligation with regard to these rights. The Customer agrees to indemnify and hold us harmless in its entirety for any damage arising from any infringement of such third-party rights by the provision of services, including the expense of defending such claims.
- 9.5. The original label or logo of the product may not be altered or removed without our written consent. In the case of infringements, a contractual penalty of 20 % of the purchase price of the affected product is agreed for each infringement, whereby the possibility of asserting further claims for damages remains unaffected.
- 9.6. The customer may not use our trademarks or product names for other products or for any other purpose without our written consent.
- 9.7. We reserve the property and copyrights to samples, pictures, drawings, other documents and tools. This also applies if the customer has borne the production or manufacturing costs.

10. LEGAL EFFECTIVENESS, PLACE OF PERFORMANCE, APPLICABLE LAW, LEGAL VENUE, DATA PROCESSING AND DATA PRIVACY AND OTHER

- 10.1. The place of performance shall be at our business address in Desselbrunn.
- 10.2. Austrian law shall apply exclusively, also excluding the reference rules of international private law (e.g. the Austrian International Private Law Act, IPRG, Rome I Regulation, etc) and UN CISG.
- 10.3. It is hereby agreed that the court for Desselbrunn with subject matter jurisdiction shall have exclusive jurisdiction as legal venue.
- 10.4. Should provisions in these Standard Terms and Conditions for Sale and Delivery be legally ineffective, invalid and/or null and void or become so in the course of its term, this shall be without prejudice to the legal effectiveness and the validity of the other provisions. In such case the provision that is legally ineffective, invalid and/or null and void (or provision which becomes legally ineffective, invalid and/or null and void) shall be replaced by one which is legally effective and valid and in its economic effect corresponds to the provision replaced – insofar as possible and legally admissible.
- 10.5. The data associated with our business relations (in particular name, address, telephone and fax numbers, email addresses, address for orders, delivery and invoices as well as order date, products delivered or ordered or services, number of items, price, delivery schedule, payment and dunning data, etc.) will be saved in our IT system and further processed. The customer hereby declares agreement therewith. COB Bearings GmbH, Sicking 22, 4693 Desselbrunn is responsible for processing personal data within the meaning of the DSGVO and the relevant data protection regulations. We process personal data to fulfil orders and contracts, to complete legal rules and to enforce our rights. The legality of the data processing is based on Art 6 Abs 1 lit b, c and f GDPR. For the purpose set out above, we will transfer your personal data to public authorities, courts, dispatch departments, forwarding agents, tax accountants, lawyers and service providers. Your personal data will be kept for minimum 7 years (retention period BAO and UGB). We will, in any case, retain your personal data for as long as there are statutory retention obligations or potential legal claims are not yet time-barred. Under applicable law, you have, among others, the rights (under conditions set out in applicable law): (i) to check whether and what kind of personal data we hold about you and to request copies of such data, (ii) to request correction, supplementation or deletion of your personal data that is inaccurate or processed in non-compliance with applicable requirements, (iii) to request us to restrict the processing of your personal data, (iv) under certain circumstances, to the processing of your personal data or to revoke the consent previously given for processing, (v) to request data portability, (vi) to know the identities of third parties to whom your

personal data is transferred, and (vii) to lodge a complaint with the competent authority. In Austria the competent authority is the Datenschutzbehörde, Wickenburggasse 8, 1080 Wien (E-Mail: dsb@dsb.gv.at).

10.6. In the case of linguistic deviations, the German version of the standard terms and conditions is binding.

11. EXPORT CONTROL REGULATION

- 11.1. The products, materials and related information covered by the purchase order are subject to national and/or international export control laws (e.g. embargoes or export bans). The customer shall independently inquire about these regulations with the competent foreign trade authority in such country and it shall be the customer's own responsibility to apply for an authority approval (if necessary) with the competent foreign trade authority. COB products, commodities, materials, and related information covered by the purchase order are for use in and shall remain in the country of delivery agreed with the customer. They are not intended for sale, export or direct or indirect transfer to third parties or end users that are prohibited under export laws. The customer shall be liable to us for due fulfilment of this agreement.
- 11.2. Customer undertakes to use our products only for the agreed purpose. Customer warrants that the products purchased will not be used, directly or indirectly, for the production, development, use or maintenance of any weapons, war materials or armaments without our express consent.