

**1. General:** These Terms and conditions of purchase apply to all purchase agreements, service agreements and contracts for deliverables entered into by LPG, regardless of their designation in detail, as well as for their follow-up orders without LPG having to point this out separately. Hereafter the contractor commissioned by LPG with deliveries or the provision of works or services is referred to as "Supplier".

**2. Conclusion of the Contract, Purchase Orders, Invoices:** The legal relationships between the Supplier and LPG are governed exclusively by these Terms and any other written individual agreements / contracts. The individual agreements / contracts take precedence over these conditions. Other general terms and conditions of the Supplier do not apply, even if LPG has expressly objected to them in particular. Purchase orders are only valid if made in writing. This requirement is also met if the purchase orders are sent by fax, email or in any other electronic form. In case of an electronic transmission, LPG's signature is not required. An order by LPG is considered legally accepted if the Supplier does not object to the order in writing within 2 working days of receipt. If the Supplier only accepts the purchase order with amendments to its contents, the contract shall only come into existence if LPG confirms the amendments in writing. The Supplier must state LPG's order numbers in all invoices regarding the respective purchase order / delivery as well as in all other written documents. Invoices without order numbers shall be deemed undelivered.

**3. Delivery, Delivery Date, Force Majeure:** The Incoterms 2010 apply to all deliveries and if no other delivery conditions were agreed [in particular], the DDP Incoterms 2010 Lenzing clause shall apply. The goods shall be insured by the Supplier up to the unloading point. The agreed date of receipt at the specified location within the specified acceptance periods at LPG must be strictly adhered to in respect of all deliveries or services. These acceptance periods are: Mon-Thu 06:00-14:00 and Fri 06:00-12:00. The relevant point in time for said adherence will be the receipt of the goods at the delivery address. LPG is not obliged to accept partial deliveries or excess deliveries, which were not agreed or deliveries before the agreed delivery date. If the agreed delivery dates, which are fixed dates within the meaning of section 919 of the Austrian Civil Code (§ 919 ABGB), are not complied with, LPG is entitled to rescind the contract. In case of the insistence on the performance of the contract the Supplier is obliged to pay compensation for any damages, including indirect financial loss and loss of profits. Supplier must notify LPG of a potential delay in delivery as well as its duration and cause immediately upon the Supplier's becoming aware thereof. In this case, LPG is entitled to rescind the contract without waiting for the agreed delivery date and without granting an additional grace period. Furthermore, in case of a delivery default for which the Supplier is at fault, the Supplier is obliged to pay a contractual penalty of 1% of the total order value for each commenced week of the delivery default up to the completed delivery / service provision. However, this is limited to a maximum of 5% of the total order value. LPG reserves the right to claim further damages. In case of force majeure (including, but not limited to strikes, war, fire damage, flood) LPG is released from the obligation to accept deliveries for the duration of the force majeure and it is also entitled to rescind the contract without any claims against LPG arising thereof for the Supplier.

**4. Subcontracting, Pre-Suppliers:** The partial or entire subcontracting of the contract without LPG's express written consent is not permitted. LPG shall be notified in writing of pre-Suppliers and any changes. The Supplier is not entitled to transfer rights and obligations under the contract in whole or in part to third parties.

**5. Dispatch Provisions, Place of Performance:** The Supplier shall be responsible for appropriate and correct packaging of each delivery. If a separate packaging agreement was made with the Supplier, such agreement must be adhered to. The content shall at least include detailed content information with a description of the goods, including item number and, if applicable, drawing number and batch or serial number, quantity, order number, weight and all the information required by law. In case of non-compliance, LPG shall be entitled to refuse acceptance of the delivery. If customs clearance will be organized by LPG, the bill of lading shall contain the text "customs clearance takes place on site at Lenzing via customs office Wels". If the Supplier does not comply with the specified dispatch provisions or with the agreed delivery conditions and damages or costs arise from such non-compliance (i.e. extra tours, additional freight, downtime costs), the Supplier must bear the costs in their entirety. If detailed dispatch provisions or delivery conditions are not specified, the most advantageous delivery method for LPG must be chosen. The delivery address specified in the purchase order shall be the place of performance for the delivery. The place of performance for payment shall be LPG's head office.

**6. Prices:** All agreed prices are fixed prices, delivered to the place of destination in accordance with Incoterms, and include all costs of the Supplier, i.e. for packaging, quality assurance, functional and quality tests, necessary documentation and possibly necessary permits as well as customs duty and insurance. If prices are agreed in other currencies than EURO and it turns out after order placement that the agreed currency receives a upward revaluation of more than 3% compared to EURO, then LPG is legitimated either to cancel the order or to apply a diminution of the price of the goods in a relevant percentage. Supplier's offers and related documents are free of charge for LPG irrespective of the extent to which these require preparatory work. In case of serial and subsequent deliveries the Supplier shall deliver goods and services to LPG for the duration of the delivery/ service contract, which are competitive in terms of price, quality and delivery times. Should LPG find that the Supplier does not provide the supply / services on competitive terms whilst another possible sub supplier offers the production and delivery of the subject matter of the contract on more favorable terms without the Supplier adopting these terms, LPG will re-negotiate the terms with the Supplier. If no agreement is reached within 30 days, LPG has the right to partially or wholly terminate the contract with a notice period of 30 days. Notwithstanding the termination of the contract, the Supplier shall be obliged to complete the orders / release orders, which were made prior to the termination of the contract.

**7. Invoicing, Payment:** Invoices must contain all information required by law and comply with customs regulations. Furthermore, each invoice must state LPG's order number. The payment term commences with receipt of the invoice or the goods or with the completed provision of services or with final acceptance, whichever comes later. However, in case of delivery prior to the agreed date, the payment term commences at the earliest on the originally agreed date. Unless agreed otherwise, LPG shall pay for the accepted deliveries or services within 14 days less 3% cash discount or within 60 days net. Payments shall not constitute an acknowledgment of the deliveries' or services' contractual conformity. The Supplier is not entitled to offset any claims against claims of LPG insofar as such claims have not been admitted or legally determined by a court. The Supplier has no right of lien. Invoices can be transmitted electronically to [invoices@lenzing-plastics.com](mailto:invoices@lenzing-plastics.com).

**8. Quality:** The Supplier guarantees that its supplies and services are in accordance with the agreed technical data, the warranted characteristics and the state of technology, and comply with security and quality regulations as well as with all other laws and regulations. To ensure the quality expected by LPG for all supplies, the Supplier must setup, maintain and regularly demonstrate an appropriate quality management system (at least EN ISO 9001, ISO TS 16949, VDA 6.1 and ecologically ISO 14001 etc.). LPG is authorised to carry out visits and audits in order to monitor the effectiveness of the Supplier's quality management system onsite, i.e. in accordance with ISO 9001 in actual version. The Supplier has to regularly check the delivery items during production and delivery. In case of serial supplies, the Supplier may only commence serial production following LPG's approval of the initial sample. Insofar as contractual, statutory or commercial documentation requirements are in place for supply goods or services (i.e. with regards to security components etc.), the Supplier is obliged to keep appropriate and complete quality records and to maintain the test documents/ data / samples / documentation for 5 years following the completion of the last delivery, and to provide LPG with them upon request. The Supplier shall impose these obligations on any possible sub-Suppliers. For materials and objects to be delivered, which due to their nature, characteristics or condition present a danger for people's lives and health or for the environment as well as for items, which, according to regulations, therefore require special treatment with respect to handling, packaging, transport, storage and waste disposal, the Supplier must, without request and in advance, provide LPG with the

**General Terms and Conditions of Purchase  
of Lenzing Plastics GmbH & Co KG, Werkstrasse 2, 4860 Lenzing  
below as "LPG"**



appropriate safety data sheets in the German language in compliance with statutory regulations (REACH-compliant) as well as with accident procedure sheets. For this purpose, they must be sent in electronic form to [purchasing@lenzing-plastics.com](mailto:purchasing@lenzing-plastics.com).

**9. Warranty:** Unless agreed otherwise in an individual contract, the Supplier warrants that the goods / services as defined by sections 922 et seqq. of the Austrian Civil Code (§§ 922f ABGB) are in accordance with the contract. The statutory assumption period of section 924 of the Austrian Civil Code (§ 924 ABGB) is extended to 12 months. In case of resale of the goods by LPG, the statutory warranty period ends at the earliest after expiry of 24 months following LPG's receipt of a buyer's complaint. LPG checks the goods / services within a maximum period of 14 days after receipt only regarding their identity with the ordered goods / services and their quantity. LPG is exempt from any further examination and objection obligations under section 377 of the Austrian Company Code (§ 377 UGB). In case of defects, LPG shall be entitled to request at its discretion replacement of the defective goods / services free of charge or a price reduction or the rescission of the contract. These rights shall not be limited by the provisions of section 932 paras 2-4 of the Austrian Civil Code (§ 932 Abs. 2-4 ABGB). The Supplier shall indemnify LPG against all costs and losses arising from the defectiveness of the supplied goods / services unless the Supplier proves that the defectiveness was not caused by it or its sub-Suppliers. This includes the Suppliers obligation to indemnify and hold LPG harmless against all third party claims, which arise from the defectiveness of the goods / services, the costs of a necessary review and inspection of other stock, returns, audits, assessments, additional costs due to stock replacement etc. The warranty period begins to run anew regarding the entire delivery / service affected by the defectiveness after the Supplier has rectified the defects and LPG has accepted the rectification of the defects. In case of a replacement of the defective delivery, the Supplier must also take the defective goods back at its own cost (i.e. costs regarding customs clearance, handling, transport and insurance etc.). The Supplier shall completely indemnify LPG and hold it harmless. The Supplier furthermore warrants that the supplied goods are fully marketable within the European Union, the EEA and the country of final destination in accordance with the purchase order and that they are free from third party rights (such as rights regarding patents, trademarks, designs or copyrights). If the goods are labelled with a trademark, the Supplier guarantees that the supplied goods are genuine and that they have been placed on the market either by the owner of the trademark with which the goods are labelled and/or under which they are distributed, or that the goods have been placed on the market with the owner's consent. The Supplier warrants for the full legal admissibility of the marketing of the goods and their distribution under the trademark in Austria and the country of final destination as per the purchase order. The Supplier undertakes to indemnify and hold LPG harmless – without prejudice to further rights – against all damages and losses arising from a breach of warranty and to compensate LPG for all costs and consequential losses of any kind resulting from an – even partial – breach of warranty. The Supplier's liability also includes compensation for fines imposed on LPG, its officers or employees/ service providers or their clients due to objectionable condition or labelling of the goods. Further rights of LPG remain unaffected. In case of a defective delivery or service, LPG is entitled to charge to the Supplier an expense reimbursement lump sum of € 100.00 per complaint.

**10. Indemnification:** The Supplier is liable for all damages arising for LPG from a delayed or defective delivery or service due to the Supplier or its vicarious agents being at fault. In case of a defective or delayed delivery or service or any other unlawful act of the Supplier, the Supplier undertakes to compensate LPG and its clients and customers for any damages and expenses (including legal expenses) resulting thereof. The Supplier is further obliged to inform LPG fully and promptly with regards to the above, to support LPG in any legal dispute with third parties and to indemnify and hold LPG harmless from any third party claims. This shall also apply if the delivery item is only part of the services LPG provides to third parties. The obligation to indemnify extends especially to costs of a possible recall campaign as well as to all legal costs. In order to cover its liability toward LPG and third parties the Supplier must, at its own expense, take out and maintain insurance at the required amount and prove the existing insurance cover upon request.

**12. Retention of Title:** The Supplier has to be notified that LPG purchases the ordered goods for the purpose of resale. The Supplier therefore waives any right to retention of title to the supplied goods.

**13. Foreign Companies, Contractors, Foreign party assembly works:** The supplier is liable for the timely and complete fulfilment of all (legal) requirements that may be valid for the supplier as an employer. This is also, but not exclusively valid for the "Law on the Employment of Foreign Nationals" (AuslBG), BGBl 218/1975, the law to Prevent Wage and Social Dumping (LSD-BG), BGBl 44/2016 and the Occupational Health and Safety Act (ASchG), BGBl 450, 1994, each in the valid revision. In an allowed case of subcontracting a third party, the supplier is liable also for the third party's fulfilment of those requirements and laws. If an infringement of such a requirement or law leads to liability of LPG, the supplier supports wherever possible to prevent LPG from any damage or harms. In any case, the supplier will keep LPG harmless from any penalties, as well as the cost of effort to prevent such.

**13. Corporate Compliance:** The Supplier undertakes to take all necessary and reasonable measure in order to prevent corruption and bribery. The Supplier is therefore prohibited from offering, promising or granting money or monetary equivalent (expensive gifts, invitations etc.) to LPG's employees or management through the Supplier's employees or management or via third parties ("prohibition of corruption"). LPG is entitled to terminate any existing contracts immediately for any violation of the prohibition of corruption rule following a prior written warning. In case of a serious violation, no prior warning is required.

**14. Jurisdiction, Applicable Law, Miscellaneous:** These terms and conditions of purchase and any contracts concluded based on these terms and conditions of purchase, including the matter of their valid conclusion as well as their pre-effects and consequences, shall be governed exclusively by Austrian law. The UN Convention on the International Sale of Goods (CISG/ UN-Kaufrecht) shall not apply. The competent Court in Wels/Austria shall have the exclusive jurisdiction for any disputes arising from or in connection with the contracts concluded between the Supplier and LPG including disputes about the conclusion of such contracts. However, LPG has the right, at its discretion, to sue the Supplier at any other Court, which can be deemed competent in accordance with the applicable law. If this condition of purchase and the contracts concluded on the basis of these terms and conditions of purchase are invalid or unenforceable, the validity of the remaining provisions shall remain unaffected. These provisions shall be automatically replaced by valid and enforceable provisions which achieve the intended purpose to the best possible effect. The headings used for the various points of these terms and conditions of purchase are for guidance only and should not be used to interpret the provisions. Amendments of and / or additions to these terms as well as of any contracts concluded on the basis of these terms and conditions of purchase must be made in writing. This also applies to any waiver of the written form requirement agreed herein.