

T e r m s o f s u p p l y a n d p a y m e n t

I. Scope of application, opposition to the terms of supply and payment, written form

1. These terms of supply and payment shall apply to the entire business relationship with Panasonic Industrial Devices Materials Europe GmbH ("PIDMEU"), in particular to all shipments, services, quotations and confirmations of acceptance. They shall apply exclusively. The customer's standard terms shall not apply unless they have been consented to in writing by PIDMEU in the individual case. Within the framework of ongoing business relationships, these terms shall also apply to all future transactions, even if not exclusively agreed a second time.
2. With the exception of orders placed via the PIDMEU Internet store, orders, confirmations of acceptance and accessory agreements, amendments, additions and other agreements concluded before or at the time of the recording of the order shall be invalid unless in writing (e.g. letter, fax, email).
3. These STB shall only apply to legal relationships with enterprises. They are not applicable to consumer transactions within the meaning of the Austrian Consumer Protection Act.

II. Prices, price adjustment

1. Subject to agreement to the contrary, PIDMEU's prices are in Euro ex-works [EXW, Incoterms 2010] including packaging, excluding value added tax.
2. The prices shall be determined according to the price list applicable at the time of the conclusion of the contract. If the shipment is effected more than three months after conclusion of the contract, PIDMEU shall be entitled to adjust the prices appropriately in accordance with changes in wages, salaries, exchange rates, material and production costs that have occurred in the meantime.

III. Conclusion of contract, amendment of order, withdrawal

1. Subject to agreement to the contrary or an indication to the contrary, PIDMEU's quotations shall be subject to alteration and not binding. A valid contract shall only be concluded upon written confirmation of the receipt of the order by PIDMEU, at the latest, however, upon acceptance of the shipment by the customer.
2. Before payment of due invoice amounts, including default interest, and if an established credit limit is exceeded, PIDMEU shall not be obliged to continue to deliver under any ongoing contracts.
3. Changes to the order shall be effected at the customer's request provided that the latter assumes all costs resulting from the change of the order.
4. If the customer cancels the order without justification, PIDMEU shall be entitled to demand from the customer compensation for the losses resulting to the amount of 20% of the value of the goods ordered, provided that the customer has been requested to withdraw the cancellation within a reasonable additional period of time and nevertheless maintains the cancellation. The same shall apply if the customer does not make a declaration during the additional period granted. The aforesaid shall not affect the customer's right to claim that the loss was less and PIDMEU's right to claim that it was greater.

IV. Delivery times, delivery dates, part deliveries, default, force majeure

1. Delivery periods or delivery dates specified by PIDMEU and not expressly referred to as being binding or not agreed with the customer as being binding shall not be binding. PIDMEU shall comply with agreed delivery dates to its best ability.
2. PIDMEU shall be entitled to effect part deliveries or part services and invoice such to an extent that can be reasonably expected. Unless agreed otherwise, PIDMEU shall be entitled to deliver up to 10% more or less of the agreed delivery quantity.
3. In addition to delivery, the customer can claim reimbursement of the losses resulting from delays if PIDMEU is guilty of intent or gross negligence. In the case of slight negligence, the liability shall be limited to the losses typical for such contracts foreseeable at the time of the conclusion of the contract, subject to the provision in Section XI.3.
4. If PIDMEU itself is not supplied at all, or not supplied in time, it shall not be in default as against the customer if PIDMEU is not responsible for the failure to supply at all or the failure to supply in time, in particular if PIDMEU has concluded a specific cover transaction and the supplier has not supplied PIDMEU at all or not supplied it in time.
5. Force majeure and interruptions to operations occurring at PIDMEU and/or its suppliers, such as riot, lawful strike, lockout or official orders that, without any fault of its own or any attributable fault, temporarily prevent PIDMEU from supplying the object of purchase at the agreed date shall prolong these deadlines and periods by the duration of the interruptions to operations resulting from these circumstances. If a corresponding interruption leads to a delay in performance exceeding four months, both contracting parties shall be entitled to withdraw from the contract. The aforesaid shall not affect the customer's other rights to withdraw.

V. Payment, bank charges, payment default, right of retention/offset

1. The purchase price shall be due upon delivery of the object purchased. Unless agreed otherwise, invoices shall be payable without deduction immediately after receipt.
2. If direct debit collection is agreed for the payment of the invoice, the period for the pre-notification of SEPA direct debits shall be reduced to 5 days.

3. The customer's bank's charges and expenses incurred within the framework of a bank transfer shall be borne by the customer, and PIDMEU's bank's expenses shall be borne by PIDMEU.
4. Payment default shall occur when the claim becomes due without need for any warning. In the event of payment default, subject to the assertion of more extensive claims, default interest at the rate of 9.20% above the base rate of interest at the time shall be payable. The aforesaid shall not affect the customer's right to claim that the loss was less and PIDMEU's rights to claim that it was greater.
5. If the customer is in default with the payment of an invoice or if our receivable is at risk – for whatever reason – all the customer's liabilities to us shall fall due immediately; this shall also apply to the balance of any current account maintained for the customer.
6. The customer shall only be entitled to a right of retention with respect to PIDMEU's receivables if such is based on receivables that are undisputed, ready for decision or have been determined by final legal decision based on the same contractual relationship. The customer shall only be entitled to offset claims if the customer's counterclaim has been determined with final legal effect, is ready for decision or is undisputed.

VI. Call orders

1. If the customer has ordered goods on call, but fails to take delivery of all the goods ordered in the intended call-up period, it shall not be entitled to the discount granted for the total quantity to be delivered. In such event, PIDMEU shall be entitled to require the customer to pay the purchase price for the part deliveries already effected, which shall be paid in accordance with the price list in force at the time for the quantity of which delivery has been taken.
2. If the customer is in default with its call-up obligation, it shall for the losses incurred by PIDMEU pay PIDMEU 1% of the contract value of the quantity of which delivery is to be taken by the customer for the complete month in which the customer is in default with the performance of its obligation to take delivery. The aforesaid shall not affect the customer's right to claim that the loss was less and PIDMEU's right to claim that it was greater.
3. If after expiry of the agreed call-up period, the customer refuses to take delivery of the outstanding quantity, the provision in Section III.3 shall apply mutatis mutandis with respect to the remaining quantity.

VII. Reservation of title

1. The goods supplied by PIDMEU shall remain PIDMEU's property as goods subject to reservation of title until the satisfaction of all receivables under the contractual relationship and other receivables that PIDMEU subsequently acquires for whatever legal reason against the customer in direct connection with the goods supplied ("goods subject to reservation of title"). This shall also apply if the payments are made with respect to receivables specifically identified.
2. The customer shall be entitled to sell or process the goods subject to reservation of title in the ordinary course of business. If the goods subject to reservation of title are processed and combined with other goods, PIDMEU shall be entitled to co-ownership of the new item in the proportion applying between the invoice value of the goods subject to reservation of title and the invoice value of the other goods. The processing and combining shall be deemed to be on behalf of PIDMEU. PIDMEU hereby in advance offers to grant the customer an expectant right to the resulting co-ownership share. The customer accepts this offer. Upon satisfaction of the claims to which PIDMEU is entitled under the order, the co-ownership shall transfer to the customer.
3. The receivables resulting from the resale of goods subject to reservation of title shall be assigned by the customer to PIDMEU in order to secure all the latter's outstanding claims against the customer. PIDMEU accepts this assignment. If the goods subject to reservation of title are sold together with other goods following processing and combination, the assignment of the receivable under the resale shall only apply up to the amount of the invoice value of the goods supplied by PIDMEU. As long as PIDMEU is owner of the goods subject to reservation of title, PIDMEU shall be entitled to revoke the authority to resell in the event of an objectively legitimate reason.
4. The customer shall be revocably empowered to collect the assigned receivable. PIDMEU shall be permitted to revoke the power to collect in the event of an objectively legitimate reason. The aforesaid shall not affect PIDMEU's authority to collect the receivable itself. However, PIDMEU undertakes not to collect the receivable provided that the customer complies with its payment obligations to PIDMEU.
5. The customer shall be obliged to sufficiently insure the goods subject to reservation of title owned or co-owned by PIDMEU and to maintain such under insurance cover. The customer hereby in advance assigns to PIDMEU the claims to which it is entitled against its insurer upon occurrence of a claim to the extent that such relates to the property or co-property of PIDMEU. PIDMEU accepts this assignment.
6. The goods subject to reservation of title shall not be pledged, transferred as collateral, let or made available otherwise or changed in a manner that impairs PIDMEU's security without prior written consent, as long as reservation of title continues to apply. The aforesaid shall not affect the customer's right to resell the goods subject to reservation of title in the ordinary course of business pursuant to Section VII.3.
7. If the customer ceases payments not merely temporarily, applies for the commencement of insolvency proceedings with respect to its assets or if insolvency proceedings are commenced with respect to its assets, it shall upon PIDMEU's demand be obliged to surrender the goods subject to reservation of title. In addition, in the event of conduct in breach of contract, in particular payment default, the customer shall be obliged to surrender the goods subject to reservation of title to PIDMEU following a warning. The acceptance of the return of the goods subject to reservation of title shall only constitute

withdrawal if PIDMEU confirms such expressly. Finally, the customer shall in such a case be obliged to send PIDMEU without delay a list of the goods subject to reservation of title still held on stock, including such that have been processed, together with a list of the receivables as against third party debtors.

8. If the achievable value of all collateral to the benefit of PIDMEU resulting from reservation of title, assignment as collateral and assignment in advance exceeds the entire amount of PIDMEU's receivables against the customer by more than 10%, PIDMEU shall be obliged, at its own choice, to waive the reservation of title and/or release collateral resulting from assignment as collateral and assignment in advance.

VIII. Liability for faults

1. The customer shall inspect the goods immediately after delivery. Obvious fault shall be notified in writing to PIDMEU within 14 days after delivery, concealed faults within 14 days after discovery thereof. If the customer fails to effect such notification, the legal consequences of Section 377 of the Austrian Commercial Code shall apply.
2. Liability for faults notified in good time shall be determined according to IPC4101 as amended from time to time, PIDMEU's general product and storage specifications and the statutory provisions, subject to the following conditions:
 - a. In the event of a faulty delivery, the customer shall at PIDMEU's choice have a claim to remedy free of charge or replacement free of charge ("supplementary performance"). If the supplementary performance fails, the customer can at its choice withdraw from the contract or reduce the remuneration. Supplementary performance shall be deemed to have failed if a fault cannot be eliminated after at least two attempts at remedy or replacement, in technically complicated cases after at least three attempts at remedy, or if a further attempt at remedy or a further replacement delivery cannot reasonably be expected of or is impossible for the customer, is delayed unreasonably or is seriously and definitively refused. The parts replaced on the occasion of a remedy shall become the property of PIDMEU.
 - b. The customer's claims on the grounds of expenditure necessary for the purpose of supplementary performance (e.g. transport, travel, work and material costs) shall not apply if the expenditure is increased because the purchased product has been transported after delivery to a place other than the customer's registered office or commercial establishment, unless the transportation corresponds to the use of the object as intended. If the claim of a fault is made wrongly for reasons for which the customer is responsible, it shall refund PIDMEU for the expenditure incurred in this respect.
 - c. The customer shall only be entitled to claims for damages or the refund of expenditure on the grounds of faults if PIDMEU's liability has not been excluded or restricted pursuant to Section XI. More extensive claims or claims other than those regulated in this Section VIII on the grounds of a material defect shall be excluded.

IX. Disposal of the goods supplied

1. The customer shall be obliged to dispose of the goods supplied at its own expense according to the statutory provisions after termination of use. In this respect, it shall release PIDMEU from the obligations pursuant to Section 10 (2) of the Electrical Appliances Regulation (manufacturers' obligation to take back) and third-party claims in connection therewith.
2. In the event of the resale of the goods supplied by PIDMEU within the course of business, the customer shall take suitable contractual measures to ensure that either the customer's own customer assumes responsibility for the due and proper disposal after the termination of use pursuant to the statutory provisions and/or assumes liability towards its customers for the due and proper disposal, or the customer will arrange for the due and proper disposal in the relation with its customer.
3. If after termination of use a third party asserts a claim against PIDMEU for disposal of the goods supplied, the customer shall duly and properly dispose of the goods and release PIDMEU from all third-party claims in connection with the obligations pursuant to Section 10 (2) of the Electrical Appliances Regulation.
4. PIDMEU's claim against the customer under Section IX.1 for the assumption of responsibility for the disposal obligation and/or release from the obligations pursuant to Section 10 (2) of the Electrical Appliances Act shall not lapse before the expiration of one year after definitive termination of use and of PIDMEU acquiring knowledge of the termination of use.

X. Software products

1. In the case of software products, the licence conditions for the products in question shall apply additionally and with priority.

XI. Liability, limitation of actions

1. PIDMEU shall be liable for losses caused by PIDMEU or its vicarious agents if such have been caused with intent or gross negligence. In the case of slightly negligent infringement of a main performance obligation or an accessory obligation, the infringement of which endangers the achievement of the contractual purpose or the performance of which makes possible the due execution of the contract in the first place and compliance with which can be expected by the customer ("essential accessory obligations"), PIDMEU's liability shall be limited to the losses typical under the contract and foreseeable at the time of the conclusion of the contract. PIDMEU shall not be liable for slightly negligent breaches of contractual accessory obligations which are not essential accessory obligations.
2. The customer shall be obliged to notify PIDMEU immediately of losses for which PIDMEU is to be made liable and have such recorded by PIDMEU.
3. PIDMEU's liability for a guaranteed quality or durability, for malice, for tort, for physical injuries and for product faults in accordance with the Product Liability Act shall not be

affected by the above provisions. This shall not involve a change of the burden of proof to the customer's disadvantage.

4. With the exception of claims for tort, the customer's claims for damages for which liability is restricted pursuant to this Section XI shall expire in one year starting from the beginning of the statutory expiry period.

XII. Proprietary and intellectual property rights

1. Unless stated otherwise, we are the holder or the entitled user of all trademarks and other signs, form of commercial presentation, patents, copyright, database rights and all other intellectual property (referred to together as the "intellectual property") in connection with the goods supplied. Any exploitation, reproduction, dissemination, publication and presentation shall only be permitted with our express written consent. Any communication to third parties free of charge or in return for payment shall require our express consent.

XIII. Anticorruption policies

1. The customer is aware of the importance of anticorruption policies, shall comply with the relevant Austrian, European and other regulations and apply all its efforts to ensuring that its employees do the same.
2. Corruption within the meaning of this provision shall comprise the acceptance of gifts and bribery in the private sector and corruptibility and accepting undue advantages in the public sector.
3. The customer shall document all business transactions in a proper and complete set of accounts.
4. If the customer culpably infringes the obligations under this provision, PIDMEU shall be entitled to terminate the contractual relationship with immediate effect for good cause, without prejudice to other claims.

XIV. Prohibition on the manufacture of weapons of war and of destruction, compliance with export legislation

1. The customer shall be prohibited from using the goods supplied by PIDMEU for the development, design, manufacture, storage or use of weapons of war and destruction, including but not limited to atomic weapons, biological weapons, chemical weapons or rockets ("weapons").
2. The customer shall not sell, let or otherwise make available either directly or indirectly the goods supplied by PIDMEU to a customer who uses these goods in the development, design, manufacture, storage or use of weapons.
3. The customer shall not export or re-export the goods supplied by PIDMEU, either directly or indirectly, without having the authorisation to do so as required by the laws or regulations concerning export controls of a country to whose jurisdiction the contracting parties are subject. The customer shall neither directly nor indirectly export or re-export goods supplied by PIDMEU to a country on which a decision of the Security Council of the United Nations has imposed sanctions, as long as the decision in question is in force and as long as the goods supplied by PIDMEU continue to be subject to a prohibition on exports to the country in question.
4. In the event of an infringement by the customer of one of the provisions of this Section XIII, it shall be liable to PIDMEU for all direct and indirect losses that PIDMEU incurs as a result of this infringement. In such event, PIDMEU shall be entitled to terminate the contract with the customer without delay without being subject to any liability for such against the customer. In addition, PIDMEU shall not be obliged to accept or execute orders that might possibly infringe the export control legislation, provisions or requirements of a country concerned or the provisions of this Section XIII.

XV. Confidentiality of the access data to the Internet store

1. The customer undertakes to maintain the access data made available to it for the PIDMEU Internet store secret, and not to communicate such to unauthorised third parties. If the customer culpably infringes this obligation, it shall reimburse PIDMEU for all losses resulting from this breach of duty.

XVI. Place of performance, transfer of risk, failure to take delivery

1. Place of performance for all deliveries and payments shall be PIDMEU's registered office if the customer is a merchant.
2. Unless agreed otherwise, the risk shall transfer to the customer as soon as PIDMEU has delivered the goods to the forwarding agent, the carrier or other person intended for the dispatch. If the customer does not take delivery of the goods in time although such have been offered to it, the risk shall transfer upon notification to the customer that the goods are ready for shipment.

XVII. Legal venue, applicable law

1. The exclusive legal venue for all disputes arising between PIDMEU and the customer, on whatever legal ground, shall be Linz, provided that the customer is an entrepreneur or a legal person under public law or does not have its registered office in Austria. PIDMEU shall, however, be entitled to bring an action against the customer at any other statutory legal venue.
2. Austrian law shall apply with the exception of the conflict of law provisions and the UN law on the sale of goods (CISG).